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

# BELLROSE CONDOMINIUM

259 22nd Street, Brooklyn
Kings County, New York 11215

40 Residential Units - $58,912,000
17 Parking Space Units - $2,125,000
*15 Storage Room Licenses - $450,000
**TOTAL OFFERING - $61,487,000**
*The Sponsor will be offering fifteen (15) Storage Room Licenses.

**SPONSOR**
**259 22nd Street LLC**
**100 Jericho Quadrangle, Suite 220**
**Jericho, New York 11753**

**SELLING AGENT**
**Douglas Elliman**
**575 Madison Avenue 4th FL**
**New York, New York 10022**

**SPONSOR'S ATTORNEY**
**MORITT HOCK & HAMROFF LLP**
**1407 Broadway, 39th Fl.**
**New York, New York 10018**

The Date of Acceptance for Filing is 2026. The Offering Plan May Not Be Used After 2027 Unless Extended by Amendment.

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

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

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

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## SPECIAL RISKS

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

1. The Sponsor has the right to maintain a majority of the Board of Managers of the Condominium for a period ending (i) five (5) years from date of the closing of the first Residential Unit, or (ii) one hundred and twenty (120) days after the closing of ninety-five (95%) percent of all Residential Units in the Condominium, whichever is later ("Sponsor Control Period"). During the Sponsor Control Period Sponsor may not relinquish control and could control the board indefinitely depending on how long it takes to convey ninety-five (95%) of all Residential Units. Thereafter, the Sponsor shall retain the right to designate one (1) Member of the Board of Managers until such time as Sponsor no longer owns a Residential Unit. During said time the individual Residential Unit Owners will not be able to enforce Sponsor's obligations through the Board of Managers. During the control period Unit Owners may have no say in the operation of the condominium and will be obligated to comply with the Sponsor's decisions. Disputes between the Unit Owners and the Sponsor-controlled board may require litigation which can result in significant additional costs, time, and resources but does not guarantee resolution in the unit owners' favor. Even after the expiration of the Sponsor Initial Control Period, Sponsor may still have control of the board, if it owns majority of Units and exercises its control to elect a majority of the board members affiliated with Sponsor. Notwithstanding said fact, Sponsor has the right to voluntarily relinquish a majority of the Members of the Board of Managers before the closing of title to the last Residential Unit. The Board, whether or not controlled by Sponsor, assumes a fiduciary duty to act in the best interests of the Condominium and its Unit Owners. See Sections XVI and XVII of the Offering Plan.

2. Sponsor may exercise veto power over certain expenditures and fiscal actions of the Board of Managers of the Condominium for a period ending not more than five (5) years after the closing of the first Residential Unit or whenever the unsold Residential Units constitute less than twenty-five (25%) percent of the Common Interest, whichever is sooner. During this period, the Sponsor will have control of maintenance, facilities and services to be provided, will determine the Common Charges to be paid by all Unit Owners, including the Sponsor, and will also have control over the enforcement of the Sponsor's obligations. During this period, Sponsor will have the right to control all decisions including but not limited to the determination of Common Expenses, management of the Condominium, the hiring and termination of employees of the Condominium, placing easements on the property and making improvements to Common Elements. Purchasers individually or as a group may take legal or administrative action

to enforce the Sponsor's obligations to the Condominium. However, they will be unable to do so in the name of the Condominium. In addition, the funds utilized for such actions will either have to be obtained by a special assessment of all Unit Owners excluding the Sponsor or obtained through independent funds of the Unit Owners. In the event the Unit Owners are unsuccessful in an action against the Sponsor, Sponsor has the right to request that the court or administrative department hearing the action grant the Sponsor reimbursement of legal fees, which would be payable by the Unit Owners, excluding the Sponsor. Any provisions that give the Sponsor control over the enforcement of the Sponsor's obligations are not lawful. In addition, if there are non-sponsor members of the Board of Managers, and there is a vote on whether to sue the Sponsor, the Sponsor's Board representatives cannot lawfully vote on that issue. The members of the Board of Managers will work in the best interest of the Condominium and its Unit Owners. The Sponsor and/or its principals will not engage in "sweetheart" deals. At no time may Sponsor exercise veto power over expenses described in Schedule B or over expenses required to (i) comply with applicable laws or regulations, (ii) to remedy any notice of violation, (iii) to remedy any work order by an insurer, or (iv) remedy a matter regarding the health and safety of the occupants of the Building. See Section XVI of the Offering Plan and Schedule B.

3. Sponsor will endeavor in good faith to sell the Units in the Condominium. However, Sponsor is retaining the unconditional right to rent rather than sell the Units, upon consummation of the Plan. Because Sponsor is retaining the unconditional right to rent rather than sell the Units, this plan may result in the creation of a condominium in which a majority of the Units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent (6 Units) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close, the Sponsor will re-declare the Plan effective if all purchase agreements are either rescinded or terminated prior to the date of first Unit Closing, regardless of whether the Condominium Declaration has been recorded. See Section I and XII of the Plan.

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

responsible for New York State Mansion Tax pursuant to Section 1402-a of the Tax Law of one (1%) percent of the Purchase Price for any Unit which has a combined sales price of $1,000,000 or more.

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

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

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

- The conveyance of residential real property where the consideration for the entire conveyance is $3 million or more.
- The conveyance of real property other than residential real property where the consideration for the entire conveyance is $2 million or more.

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

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

The Tax Law was also amended to add a supplemental tax on the conveyance of residential real property located in New York City where the consideration for the conveyance is $2 million or more. The supplemental tax differs depending on the amount of the consideration for the entire conveyance. For example: entire conveyance amount of at least $2 million but less than $3 million = Supplemental tax rate of one-quarter of one percent (.25%), and entire conveyance amount of at least $3 million but less than $5

million = Supplemental tax rate of one-half of one percent (.5%). The Purchaser is required to pay the supplemental tax. If the Purchaser fails to pay the tax or is exempt, the seller is required to pay the tax. When the seller is required to pay the tax because the Purchaser has failed to pay, the supplemental tax becomes the joint and several liability of the seller and the Purchaser. The supplemental tax is due on the conveyance of mixed- use real property when the consideration for the entire property is $2 million or more. Tax is computed only on the consideration attributed to the residential portion of the property.

See Section XVII of the Offering Plan as to how the above taxes are calculated. See the Purchase Agreement set forth as Schedule D.

5. Sponsor has not been required to post a completion bond with the City of New York covering the Common Elements. In addition, no bond has been posted to secure Sponsor's obligations under the Offering Plan. See Section XVII.

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

7. The first annual meeting of the Residential Unit Owners may not be held until one (1) year after the date of the closing of title to the first Residential Unit in the Condominium. During this time period the Sponsor will be actively undertaking its sales efforts and the Sponsor is reserving adequate time to allow for a sufficient number of Units to be transferred to residential purchasers. See Section XV of the Offering Plan.

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

Sponsor 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 required by lenders. Such expenses shall not include individual unit owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment for any item in the approved budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to update the budget for the Condominium as required by Department of Law governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan as a benefit to subsequent purchasers.

Such amendment shall also disclose the anticipated period of delay. Prior to commencing the collection of Common Charges, Sponsor will notify all unit owners by written notice of the expiration of the delay period. Notice shall be given to owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent Purchasers. See Section XX of the Plan

9. No Residential Unit Owner will be permitted to make any addition, alteration or improvement (of either a temporary or permanent nature) of a structural nature in or to the Residential Unit Owner's Residential Unit, or any Residential Unit Limited Common Element, without the prior written approval of the Board of Managers. Said provision requiring the written consent of the Board of Managers does not apply to the Sponsor. See Article Twenty of Schedule I and Article VIII of Schedule J.

10. The obligations of a Purchaser under a Purchase Agreement are not conditioned on obtaining financing. Any prospective Purchaser who executes a Purchase agreement and does not obtain financing may lose his or her deposit if he or she is unable to otherwise raise the monies for the balance of the purchase price. Prospective purchasers who require financing are advised to consult with a lending institution before execution of a Purchase Agreement. No representation is made by the Sponsor as to the availability or cost of such financing. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at closing regardless of the availability of financing. In the event a Purchaser does not close title to the Home as a result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, will be retained by Sponsor as liquidated damages.

11. In the event Sponsor is unable to convey title to a Residential Unit twelve (12) months after the proposed date of delivery set forth in the Purchase Agreement a Purchaser shall have the option to cancel the Purchase Agreement and have the downpayment advanced by Purchaser returned to Purchaser. Purchaser shall be

obligated to notify the Sponsor in writing of its intent to exercise said option no later than thirty (30) days after the twelve (12) month period. Failure to so notify Sponsor shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement. See Paragraph 6 of the Purchase Agreement in Part II of the Plan.

12. All deposits received from Purchaser will initially be deposited either into an escrow account of the law firm of Moritt Hock & Hamroff LLP (the "Escrow Agent") located at 1407 Broadway, 39th Floor, New York, New York 10018, as described in Section X of the Offering Plan. The Escrow Account will be opened at Metropolitan Commercial Bank, located at 1359 Broadway, New York, NY 10018 ("Bank"), telephone: (212) 643-6981.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. Note, if Purchasers have accounts at the same bank as Sponsor's account that holds escrowed funds, Purchaser funds at the escrow bank factor into the $250,000 insurance limit. See Section X of the Plan.

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

14. The projections for the first year of operation of the Condominium contained in the budget are only estimates and the actual expenses may vary from the amounts shown. Purchasers should further note that premiums for insurance have been extremely volatile and have increased substantially in recent years. Sponsor cannot predict whether or not the insurance rates will continue to increase or stabilize. Sponsor makes no representation that the premium costs for the insurance reflected in the proposed first year budget will be applicable at the time of the first closing of a Residential Unit in the Condominium. Director's and Officer's Liability is not included in the budgeted amount, but is available at an additional cost of $2,000. See Schedule B, the proposed first year budget and the footnotes immediately following thereto.

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

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

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

16. Purchasers should be aware that they may be living in an active construction site after they close on their Residential Unit. During this period of construction there may be dirt and debris and construction material on site, construction vehicular traffic, construction noises, unfinished areas of the Development and other inconveniences which are normal in a community undergoing construction. Notwithstanding the above, any such improvement or construction will not render the Unit uninhabitable nor materially affect Purchaser's use of the Unit. Sponsor anticipates completion of all construction by December 2023. This Paragraph shall survive Closing and the delivery of the deed.

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

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

18. Purchasers should note that if a Purchaser fails to appear and close title in accordance with this Purchase Agreement on the date and at the time and place stated in Seller's Notice for Closing, or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under this Purchase Agreement, Seller may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default, **time being of the essence.** Time of the essence indicates that failure to cure the default by a certain date will constitute and incurable default under the Purchase Agreement and Sponsor shall be entitled to cancel the Purchase Agreement and retain a Purchaser's downpayment as liquidated damages. See Paragraph 21 of the Purchase Agreement in Part II of the Offering Plan.

19. The square footage of each Unit has been based on the area measured horizontally approximately to the outside face of the masonry work at the exterior walls of the building and approximately to the non-unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces). Dimensions shall be to the centerline when a partition divides two units. However, any Common Elements located within a Unit, if any, shall not be considered a part of such Unit. As such the areas are not based upon measurements from interior surfaces of interior walls, and the actual, usable, floor area comprising the Residential Unit is substantially less than the area listed in Schedule A.

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

Furthermore, because Sponsor and the By-laws of the Condominium may permit Unit Owners to undertake renovations to individual Units prior to the procurement of an FCO, such renovations may cause additional delays in the issuance thereof. A factsheet on Certificates of Occupancy is available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf.

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

21. Purchasers should note there is a rebuttable presumption that a variation of five (5%) percent or less in the estimated square footage of the Units shall not be considered a material adverse change. See Section IX of the Offering Plan.

22. Purchasers should note that the Sponsor reserves the right to select the ultimate location of kitchen and bathroom cabinets, which may differ from the locations, set forth on the floor plans. In the event an affected Unit is under contract, Sponsor shall

first obtain consent from the Purchaser of said Unit. Sponsor is obligated to construct the premises in accordance with building plans and specifications. Any substantial modification to or variation therefrom will first be disclosed in an amendment to the Offering Plan. See Section XV of the Offering Plan.

23. The risk of loss from fire or other casualty remains with the Sponsor unless and until a Purchaser takes actual possession of a Unit pursuant to an interim lease (or written agreement with the Sponsor) or legal title to the Unit has been conveyed to the Purchaser. However, Sponsor is not entering into any interim leases so there should be no pre-closing possession.

24. Regardless of any limitations in the warranty or in this Offering Plan, Sponsor's obligation cannot go below the duty to construct the premises in accordance with all applicable codes, filed plans and specifications, as same may be amended and locally accepted building practices for items which are not covered by codes. See Section XV of the Plan.

25. Sponsor has obtained construction financing (the "Construction Loan") from Preferred Bank (Construction Lender"), with an office located at 2 Pennsylvania Plaza Suite 24C, New York, NY 10121, which has enabled Sponsor to construct the Development. The Sponsor will be obligated to pay off and otherwise comply with the terms of the Construction Loan on the entire Condominium. After the recording of the Declaration and before the closing of title to the first Unit, any Construction Loan mortgage will be satisfied, or released, or subdivided, extended and consolidated with the individual permanent mortgages, which will be placed on the Units of those Purchasers obtaining a mortgage. In addition, before the closing of title to the first Unit, all liens and mortgages affecting the Condominium shall be paid and satisfied or the Unit being conveyed and its appurtenant Common Interest shall be released therefrom by partial release duly recorded. In order to obtain partial releases, the Construction Lender will require that the Sponsor pay a release price on the sale of each Unit, until the loan is repaid in full. Therefore, there will be no resulting costs from Sponsor's construction loan added to Purchaser's individual mortgage. The terms of the Construction Loan contemplate the project as a "for-sale" condominium project.

26. Purchasers should note that the Sponsor is reserving a right to seek assignment and assumption by Purchaser's mortgage lender, as detailed in Special Risk 27 below. Any severance and assignment of a portion of the mortgage on the Property, as contemplated herein would not result in any additional risk to Purchaser. Purchasers shall be responsible for any severance and/or assignment cost charged by their own mortgage lender and Sponsor will incur the cost of any fees charged by Sponsor's lender. Any severance/assignment transaction will be initiated only after financing has been procured by Purchaser, as evidenced by a commitment letter from Purchasers mortgage lender. Should said transaction fail to take place and result in the loss of Purchaser's financing commitment, then Purchaser will be entitled to an opportunity to obtain new financing, if Purchaser so elects.

27. Purchasers should note, if necessary to obtain a mortgage tax credit, Purchaser shall use its best efforts to request that its lender (i) accepts an assignment of the existing mortgage(s) encumbering the Property, as severed, to encumber only the Unit and its appurtenant percentage of Common Interest in the Common Elements, and (ii) cooperates with Seller and its existing lender, as necessary to effectuate such assignment. At Closing, Purchaser shall execute the affidavit required pursuant to Section 255 of the New York State Tax Law. It is agreed and understood that Seller shall receive as a credit from Purchaser at Closing, a sum equal to the full mortgage tax credit which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller on the amount of Purchaser's mortgage. The foregoing credit shall be paid by Purchaser regardless of whether Purchaser's lender accepts the assignment of the Seller's existing mortgage as severed. All terms and provisions of this Purchase Agreement and all payments made hereunder are and shall be subject and subordinate to the lien of any acquisition, improvement, interim or building loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon, to the full extent thereof without the execution of any further documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the loan schedule of payments or accelerated thereunder by virtue of the lenders right to make advances before they become due in accordance with the schedule of payments. Seller shall satisfy all such mortgages or obtain a release of the Unit and its appurtenant percentage of Common Interest in the Common Elements (as such term is defined in the Plan) from the liens of such mortgages at or prior to Closing, unless Purchaser shall be required to take title subject to the existing mortgage, as severed and converted to Purchaser's individual mortgage on the Unit.

28. Neither Sponsor nor any of its Principals have an option or right to acquire any of the adjoining areas. The Sponsor has developed a non-residential retail/office building next door to this Condominium.

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

30. 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.

31. Purchasers should further note that the By-Laws do not contain any provision that provides that after the Sponsor relinquishes control of the Board a majority of the Board of Managers must be owner occupants who are unrelated to the Sponsor or its Principals.

32. On January 1, 2018, the Tax Cuts and Jobs Act of 2017 (“TCJA”) became effective. Purchasers should not rely on any statements in this Offering Plan regarding federal, state, or local tax treatment without first consulting a qualified tax professional. Sponsor has been advised by its counsel, Moritt Hock & Hamroff LLP, that, pursuant to

Section 163(h) of the Internal Revenue Code of 1986, a Unit Owner may be entitled under present law to deduct certain real estate taxes and mortgage interest, subject to applicable statutory limitations. Under the TCJA, the federal deduction for state and local taxes ("SALT"), including real estate taxes, was limited to $10,000 per year. Congress has since enacted the Tax Relief and Simplification Act of 2025 (the "2025 Act"), which temporarily modifies the SALT limitation for tax years beginning January 1, 2026 and ending December 31, 2030. For these tax years, the federal SALT deduction is increased to $20,000 for single filers and $40,000 for married taxpayers filing jointly, or such other amounts as may be adjusted under the 2025 Act. Beginning January 1, 2031, the SALT deduction is scheduled to revert to the TCJA limitation of $10,000, unless further legislative action is taken. Purchasers are advised that these limitations apply to the combined amount of New York State income taxes, New York City income taxes, and the real estate taxes assessed on a Unit. The ability of a Unit Owner to realize a federal income tax deduction for real estate taxes will depend on the Unit Owner's particular tax circumstances, including filing status, total state and local taxes paid, and other deductions claimed. Purchasers are encouraged to consult with their personal tax advisor regarding the federal, New York State, and New York City income tax consequences of Unit ownership, including the temporary changes applicable for tax years 2026–2030. See Section XXII of the Plan.

33. The Sponsor anticipates that the first closing of a unit will occur by July 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 April 1, 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. However, if the first unit closing occurs before June 30, 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 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.

All common elements and amenities will be fully operational as of the date of commencement of the Condominium operation. See Section XI of the Offering Plan.

34. Purchasers should note that as of February 28, 2026 the FinCEN's residential real estate Geographic Targeting Orders ("GTO") has expired, however, pursuant to a recent court decision, the FinCEN reporting is expected to be renewed. The Corporate Transparency Act ("CTA") and its implementing regulations issued by the Financial Crime Enforcement Network impose certain beneficial ownership reporting requirements on entities. The scope, interpretation, and enforcement of the CTA are currently subject to ongoing legal proceedings and regulatory development and may be modified. However, since March 1, 2026, a new permanent nationwide Residential Real

Estate Rule (RRE Rule) mandates that specialized legal entities and trusts report to FinCEN on non-financed, cash residential real estate transfers. Due to the above, it is recommended that Purchasers inquire as to any update in the reporting requirements prior to purchasing. See Section XI of the Offering Plan.

See Section XI of the Offering Plan.

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

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

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

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

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

In the event of a violation of this Smoking Policy, in addition to and not in diminution of, all other remedies available to the Condominium, as provided in its Declaration of

Condominium and By-Laws, or at law or in equity, with regard to a default by the Unit Owner, the Board shall have the right to impose an administrative fee in the amount of Two Hundred Fifty ($250.00) Dollars on the Unit Owner for each such violation of this Smoking Policy. A continuing violation shall be considered a new violation.

36. The parking area located in the cellar floor and will contain seventeen (17) indoor Parking Space Unit: seventeen (17) are for residential use. One (1) accessible car parking space is provided on the cellar level and can accommodate a wheelchair accessible van. Parking Unit P15 has been designated as a handicapped unit. The dimension of every parking space is marked with yellow line and is approximately 18' in length and 8'-6" in width. Parking Space Unit complies with the NYC Zoning and Building Code. The sponsor may rent any off-street Parking Space Unit to non-residents of the building, for periods of not less than one week and not more than one month. All off-street Parking Space Unit shall be made available to residents within 30 days after a written request made to the sponsor, by such residents.

The enclosed parking area does not have any electric charging stations. The enclosed parking area, and the respective Parking Space Unit shall be prewired for supporting electrical vehicle charging stations. Electrical raceway to the electrical supply panel serving the parking area, shall be capable of providing a minimum of 3.1 kW of electrical capacity to at least 20% of the Parking Space Unit in accordance with section 406.2.11 of the building code of the City of New York. Only a Unit Owner may purchase a Parking Space Unit. See Section I of the Offering Plan.

37. Balcony and Terrace space may not be legally used as a bedroom or living room and to do so may result in a building code violation being issued for the building.

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

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

40. Sponsor has not engaged a selling agent or real estate broker to market the property for sale at this time. Purchaser represents that no selling agent or real estate

broker brought about this sale, and Purchaser agrees to indemnify Sponsor against any claim brought by any other selling agent or real estate broker for brokerage commission based upon Purchaser's acts. Should Sponsor engage a selling agent or real estate broker in the future, Sponsor shall pay the selling agent or real estate broker pursuant to separate agreement. In the event Purchaser is represented or has consulted with an outside selling agent or real estate broker, Purchaser shall be responsible for all costs and commissions associated therewith, and Sponsor shall not be responsible for any co-broker commission. This Paragraph 28 of the Purchase Agreement shall survive Closing and delivery of the deed. See Paragraph 28 of the Purchase Agreement.

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

Purchaser waives all rights to trial by jury in any action, proceeding or counterclaim in any way arising out of or relating to this Purchase Agreement or the Plan. Purchaser agrees to pay all court fees, including reasonable attorney fees, should Purchaser bring an action against Seller in any court of proper jurisdiction (including small claims court) and be unsuccessful. Further Purchaser agrees to waive the right to file a Lis Pendens if not filed within sixty (60) days of the cancellation of this Purchase Agreement.

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

43. All units are separately metered for electricity used in apartments. Each owner will pay the charges for all electricity furnished to their unit, as measured by such

separate meter, directly to the utility, as and when billed. See schedule B-1 for estimated costs for each Unit.

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

45. Sponsor anticipates that all amenities set forth in the Offering Plan will be completed, and available for the use by Unit Owners, at the time of the closing of the first Residential Unit.

46. A recreation room of approximately 897 sf located on the cellar floor is provided for residential use only. Access will be limited to residing residents only; no commercial use will be permitted. The recreation room shall be finished with flooring that has gypsum wallboards for the walls and ceiling.

A gym room located on the cellar floor is provided for residential use only. Access will be limited to residing residents only; no commercial use will be permitted. The gym room shall be finished with Siena Rubber (recycled) Storm Gray SR95102 with underlayment above the concrete deck. The proposed floor material shall be of a non-slip type and shall be appropriate for foot traffic.

47. The roof system is manufactured by the roofing membrane manufacturer. The Commencement date of warranty shall begin at the procurement of the certificate of Occupancy prior to closing the first unit or at a point in time as specified in the officering plan. EPDM roof membranes have a life expectancy of approximately 20 years.

48. There will be a common storage room, which shall be divided into fifteen (15) individual storage rooms (the “Storage Rooms”); each room shall be sold by Sponsor pursuant to revocable license agreements (“Storage Room License Agreement”), on a first come first served basis. The Purchase price of each Storage Room License is listed in Schedule A-1, following the Footnotes to Schedule A in Part I of the Offering Plan. There shall be a monthly fee for maintenance as indicated on Schedule A-1 and Purchasers of Storage Room Licenses will be required to make a Security Deposit in the

amount of $500.00 to the Board of Managers at time of closing on the Unit and execution of the License Agreement. Each Purchaser of a Storage Room License shall be obligated to pay a fee to Sponsor's counsel, in the amount of $1,000, for the preparation of the Storage Room License Agreement. Purchasers should that note Storage Rooms may not be used to store any combustible or hazardous materials or other items that may be illegal or cause the Condominium insurance to be increased. Furthermore, Purchasers of Storage Room Licenses may only convey their Storage Rooms to current or future Residential Unit Owners. The Storage Rooms are part of the General Common Elements of the Condominium, which when licensed may be utilized in the same exclusive manner as a limited common element. The Storage Rooms are uninhabitable and may not be legally used as a bedroom/dining/living room and to do so may result in a building code violation. While Sponsor still retains unsold Storage Room licenses, the Sponsor shall be permitted to continue to sell or lease the Storage Room licenses and retain the proceeds from the sale or lease of same, even if Sponsor has sold all Units in the Condominium. All Unit Owners have the option to purchase a Storage Room License, on a first come first served basis. The Storage Rooms will be enclosed with full height rated gypsum drywalls enclosure with lockable fire-rated door. Each bin will be built with full height iron-gate type of enclosure with lockable doors for security. The fire protection of the storage room is by the sprinkler systems. A copy of the Storage Room License Agreement is annexed hereto as Schedule D-6.

49. Purchasers should note Sponsor excludes the specific warranties of Article 36-B of the GBL and all other warranties and is instead providing each Purchaser with a Limited Warranty. Limited Warranty is a restricted guarantee from the Sponsor which limits Sponsor's legal exposure and narrows what defects or issues Sponsor must repair.

This Development is subject to the New York State Housing Merchant Implied Warranty Law, Article 36-B of the General Business Law, which pertains to warranties on the sale of certain new Residential Units. This law is applicable to all Residential Units offered for sale under this Plan. Pursuant to the terms of this law, the Sponsor is giving a Limited Warranty to Purchasers, which provides for a Limited Warranty on certain items. The limitations contained in the Limited Warranty are noted as follows: the Limited Warranty provides coverage for the first Residential Unit Buyer only, not to subsequent purchasers; Sponsor's liability is limited to Fifty Thousand ($50,000.00) Dollars; incidental, special, indirect consequential or other similar damages are excluded; and detailed procedures must be followed for giving notice of a warranty claim to Sponsor, and for commencing a lawsuit against Sponsor. Sponsor's obligation, regardless of any limitation in the Limited Warranty, cannot go below the duty to construct the premises in accordance with all applicable codes and locally accepted building practices for items, which are not covered by codes. General Business Law §777-b(4)(e)(i).

The Condominium will be built in accordance with the building plans and specifications identified in the Plan. Local Law 11/98 is not applicable because the building will be less than 6 stories.

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

50. Sponsor does not have any prior experience as a Sponsor.

51. Home Office may not be used as a habitable space for sleeping, living or cooking in Units 3A and 4A.

**BELLROSE CONDOMINIUM**
**PLAN OF CONDOMINIUM OWNERSHIP**

## I. INTRODUCTION

This is an Offering Plan (the "Plan") for the sale of forty (40) Residential Units (the "Residential Units") and seventeen (17) Parking Space Units in a Condominium to be known as Bellrose Condominium, located at 259 22nd Street Brooklyn, New York 11215.

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

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

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

The Sponsor of the Offering Plan is 259 22nd Street LLC, acquired the property by deed dated September 11th 2024. At the time, the property was conveyed to Sponsor it was commercial real estate. The Zoning permits Residential use as of right. There is a Zoning Lot Development and Easement Agreement recorded CRFM# 2024000256315. This property and proposed use will comply with all zoning and use requirements at closing. Sponsor completed a full a demolition and construction of a new building commenced. There are no environmental Issues with the property.

The Condominium will contain forty (40) Residential Units located in a five (5) story building with cellar, basement and roof. In addition, the Condominium will contain seventeen (17) Parking Space Units located in the cellar floor. Parking Unit P15 has been designated as a handicapped parking space and can accommodate a wheelchair accessible van. The dimension of every Parking Space Unit is marked with yellow line and is approximately 18' in length and 8'-6" in width and complies with the NYC Zoning and Building Code. The Sponsor may rent any off-street Parking Space Unit to non-residents of the building, for periods of not less than one week and not more than one month. All off-street Parking Space Units shall be made available to residents within 30 days after a written request made to the sponsor, by such residents. Only a Unit Owner may purchase a Parking Space Unit.

The enclosed parking area shall be capable of supporting electrical vehicle charging stations. Electrical raceway to the electrical supply panel serving the parking area, shall be capable of providing a minimum of 3.1 kw of electrical capacity to at least 20% of the Parking Space Unit in accordance with section 406.2.11 of the building code of the City of New York. Separate tax lots will be obtained for each Parking Space Unit and each Parking Space Unit will be offered for sale to Residential Unit Owners on a first come first served basis. A Residential Unit Owner may purchase more than one Parking Space Unit. Said Parking Space Units will be offered for sale at the prices set forth in Schedule A.

In the event the present or future owner of a Unit in the Condominium, or a member of his or her family residing in the unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and said Unit Owner is the owner of the Parking Space Unit, said unit owner has the right to demand that the owner of the Parking Space Unit trade the handicapped Parking Space Unit he/she owns with said handicapped owner.

In the event the present or future owner of a unit or member of his or her family member residing in the unit, becomes handicapped and said unit owner does not own a Parking Space Unit, said unit owner has the right to demand that the owner of Parking Space Unit sell it at then current, fair market value to said handicapped owner. All costs and expenses entailed in the transfer of title to the Parking Space Unit, including without limitation, title abstracts, title insurance, transfer taxes and recording fees and reasonable attorney fees shall be borne by the party requesting the transfer. The owners of these Parking Space Units must comply with the aforementioned demand upon thirty (30) days written notice. If the parties cannot agree on the fair market value of these Parking Space Units then the parties agree to submit the matter to binding arbitration. See Section III for a detailed description of the parking facilities.

All portions of the Condominium, excluding the Units, are Common Elements of the Condominium. The Common Elements are divided into General Common Elements for use by all Unit Owners and Limited Common Elements which are Common Elements irrevocably restricted in use to specified Residential Units and Residential Unit Owners.

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

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

2. All foundations, columns, girders, beams and supports;

3. Those portions of the walls and partitions dividing Units located between the unexposed faces of the sheetrock walls enclosing the Units; those portions of the ceilings of the highest floor above the unexposed face of the sheetrock

4. Roofs, stairs and stairways, which are not located wholly within a Unit and entrances to and exits from a Building other than entrances to the individual Units;

5. All improved and unimproved areas of the property outside the boundary of an individual Unit except for any Limited Common Elements;

6. All central and appurtenant installations in the Building or Property that provide service to the entire Building, such as power, light, telephone, television, gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces;

7. All sewer pipes and drainage pipes and facilities that provide service to the entire Building or two (2) or more Units;

8. All meter rooms, compactor rooms, refuse rooms, storage areas, equipment rooms and any other mechanical rooms or areas that service two (2) or more Units;

9. All pedestrian walkways, intended for the common use of all Unit Owners;

10. The intercom system;

11. The lobby;

12. The recreational area at the roof above the fourth level;

13. The two (2) recreation rooms located on the cellar floor;

14. The exercise room located on the cellar floor,

15. The one (1) elevator;

16. The rear yard;

17. The bicycle storage area located in the cellar;

18. The parking area, excluding the Parking Space Units; and

19. All other parts of the property and all apparatus and installations existing in a Building or on the property for common use to all Units or necessary or convenient to the existence, maintenance or safety of the property.

**B. Irrevocably Restricted Areas/Limited Common Elements** - Certain portions of the Common Elements are irrevocably restricted in use to specified Units or Unit

Owners, subject to the right of the Board of Managers of the Condominium to enter upon any restricted area for maintenance, repair or improvement of a Unit or Common Element and subject to the rules of the Board of Managers. Said irrevocably restricted Common Elements are also referred to as a Limited Common Element. Any portion of the Common Elements, which is not restricted in use may be used by any Unit Owner. Following are detailed descriptions of the irrevocably restricted Limited Common Elements:

Residential Unit Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of an individual Residential Unit Owner and are herein, sometimes collectively referred to as the "Residential Unit Limited Common Elements":

1. The open roof terrace area at the rear yard above part of cellar floor level will be a limited common element for Units 1F,1G & 1H.

2. The open roof terrace areas above part of the third-floor level will be a limited common element for Units 5A, 5B, 5C, & 5D.

3. The open roof terrace area at the roof above the fourth-floor level will be a limited common element for Units 2A, 2D, 2E, 2H, 3E, 3F, 4E, 4F, 5F & 5E.

4. The building will have one rear yard area, adjacent to rear façade of the building. The rear yard will be a limited common element for Units 1F, 1G & 1H and shall be accessible via the units located at the basement floor level.

5. Any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements.

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

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

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

All maintenance and repairs to the Parking Space Units, whether structural or non-structural, ordinary or extraordinary, will be made by the Board of Managers and the cost thereof will be a Common Charge payable by the Unit Owner of said Parking Space Unit.

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

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

The Balconies and/or terraces are not permitted to be used for storage or trash storage and are not permitted to be enclosed. Balcony and Terrace space may not be legally used as a bedroom or living room and to do so may result in a building code violation being issued for the building. No flammable, combustible or explosive fluid, material, chemical or substance is permitted to be stored in the balconies and/or terrace.

Purchasers should review Schedule A herein for more details of the Limited Common Elements included with the Units.

**C. Provisions Applicable to All Common Elements** -

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

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

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

4. The undivided interest in the Common Elements shall not be separated from the Units to which it appertains and shall be deemed conveyed or

encumbered with the Units even though such interest is not expressly mentioned or described in the conveyance or other instrument.

There will be a common storage room, which shall be divided into fifteen (15) individual storage rooms (the "Storage Rooms"); each room shall be sold by Sponsor pursuant to revocable license agreements ("Storage Room License Agreement"), on a first come first served basis. The Purchase price of each Storage Room License is listed in the Schedule following the Footnote to Schedule A (Schedule A-1) in Part I of the Offering Plan. There shall also be a monthly fee for maintenance. Each Purchaser of a Storage Room License shall be obligated to pay a fee to Sponsor's counsel, in the amount of $1,000, for the preparation of the Storage Room License Agreement. Purchasers should that note Storage Rooms may not be used to store any combustible or hazardous materials or other items that may be illegal or cause the Condominium insurance to be increased. Furthermore, Purchasers of Storage Room Licenses may only convey their Storage Rooms to current or future Residential Unit Owners. The Storage Rooms are part of the General Common Elements of the Condominium, which when licensed may be utilized in the same exclusive manner as a limited common element. The Storage Rooms are uninhabitable and may not be legally used as a bedroom/dining/living room and to do so may result in a building code violation. While Sponsor still retains unsold Storage Room licenses, the Sponsor shall be permitted to continue to sell or lease the Storage Room licenses and retain the proceeds from the sale or lease of same, even if Sponsor has sold all Units in the Condominium. All Unit Owners have the option to purchase a Storage Room License, on a first come first served basis. The Storage Rooms will be enclosed with full height rated gypsum drywalls enclosure with lockable fire-rated door. Each Storage Room will be built with full height iron-gate type of enclosure with lockable doors for security. The fire protection of the storage area is by sprinkler systems. A copy of the Storage Room License Agreement is annexed as Schedule D-6 in Part II of the Plan.

Sponsor has obtained construction financing (the "Construction Loan") from Preferred Bank (Construction Lender"), with an office located at 2 Pennsylvania Plaza Suite 24C, New York, NY 10121, which has enabled Sponsor to construct the Development which has enabled Sponsor to construct the Development. The Sponsor will be obligated to pay off and otherwise comply with the terms of the Construction Loan on the entire Condominium. After the recording of the Declaration and before the closing of title to the first Unit, any Construction Loan mortgage will be satisfied, or released, or subdivided, extended and consolidated with the individual permanent mortgages, which will be placed on the Units of those Purchasers obtaining a mortgage. In addition, before the closing of title to the first Unit, all liens and mortgages affecting the Condominium shall be paid and satisfied or the Unit being conveyed and its appurtenant Common Interest shall be released therefrom by partial release duly recorded. In order to obtain partial releases, the Construction Lender will require that the Sponsor pay a release price on the sale of each Unit, until the loan is repaid in full. Therefore, there will be no resulting costs from Sponsor's construction loan added to Purchaser's individual mortgage. The terms of the Construction Loan contemplate the project as a "for-sale" condominium project.

There are a variety of different model types of Residential Units. See Schedule G in Part II of the Plan for a detailed description of each model. The land and all improvements to be erected thereon are hereinafter referred to as the "Development" or the "Condominium".

Sponsor will endeavor in good faith to market and sell the Units in the Condominium, however, Sponsor is retaining the unconditional right to rent rather than sell Units after consummation of the Plan. Because Sponsor is retaining the unconditional right to rent rather than sell Units this Plan may result in the creation of a condominium in which a majority of the Units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent (6 Units) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. In the event Sponsor makes a bulk sale of all or some of its unsold Residential Units, the transferee successor Sponsor will be bound by Sponsor's representations regarding its commitment to sell Units and will also be responsible for all Sponsor's obligations under the Offering Plan with respect to such Units.

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

The building completion is anticipated in or about April 2026.

As in the ownership of a private one (1) family home, the Purchaser of a Residential Unit in a Condominium (the "Residential Unit Owner") owns their Residential Unit in fee simple absolute and is entitled to exclusive possession of their Residential Unit. Each Purchaser of a Residential Unit will also own an undivided interest in and right to use the General Common Elements and a right to use the Limited Common Elements that pertain to an individual Residential Unit or to all the Residential Units. A full description of the General and applicable Limited Common Elements is described above.

Each Residential Unit includes the inside face of the exterior walls of the Building, approximately (within reasonable tolerances) to the apartment side of the facade at the halls and partitions dividing the Residential Units from corridors and stairs, and the centerline of the walls separating one Residential Unit from another. For a detailed

description of the Residential Unit to be conveyed see Schedule J, Article Third in Part II of the Plan.

A Unit Owner is required to pay monthly Common Charges assessed by the Board of Managers for the operation and maintenance of the Condominium pursuant to Sections 339-i and 339-m of the New York Condominium Act. Monthly Common Charges may commence with the closing of the first Residential Unit, which is expected to be on or about July 1, 2026, however, see Section XVIII as to the right of the first Board of Managers to commence the collection of Common Charges at a subsequent date. Until title to a Residential Unit has passed to a Purchaser, the Sponsor will pay such Common Charges and special assessments as are assessed by the Board of Managers on the Units to which title has not passed. Once title has passed to a Purchaser, the Purchaser will be responsible for all costs, including all Common Charges and individual expenses associated with the Unit, as well as any costs associated with the Limited Common Elements that pertain to the Purchasers' Unit.

Sponsor is reserving the right to delay the collection of Common Charges for an indeterminate time. During any such period of delay, 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 set forth in the approved budget for the Condominium. Sponsor shall remain obligated to update the budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to update the budget for the Condominium as required by the Department of Law governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the post-closing Amendment to the Offering Plan as a benefit to subsequent Purchasers. Such Amendment shall also disclose the 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 Unit Owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Sponsor will disclose such fact in the next substantive Amendment to the Offering Plan.

There is no limit on the number of owners who may purchase a Unit for investment rather than for personal occupancy and there may always be a substantial percentage of owners who are non-residents. As such, 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 as a result of their different reasons for purchasing, i.e. purchasing a Residential Unit to live in as opposed to purchasing as an investment. It is possible that some or even a majority of the Units will be occupied by tenants and not owner occupied. Owner occupied Units are typically cared for better than Units which are rented to tenants. If a significant number of the Units are not owner occupied, this may result in decreasing the value of the Units, and result in less use and enjoyment of the Unit by the Unit Owner than would occur if all or substantially all of the Units were owner occupied.

A Unit Owner, upon acquiring title to their Unit, will be obligated to comply with the Declaration of Condominium, Condominium By-Laws and its rules and regulations and any other requirements of the Board of Managers of the Condominium.

There is no restriction upon ownership of a Residential Unit. Occupancy of a Residential Unit, however, may only be for residential purposes as described in Section XVIII of the Offering Plan. Units, after consummation of the Plan, can be sold by a Residential Unit Owner, provided that the Unit Owner is not in arrears on the payment of Common Charges (except where the payment of such unpaid Common Charges is paid by the Grantee or provided for out of the proceeds of the sale) and subject to restrictions contained in the mortgage, if any, covering their Unit. A Purchaser is free to make a gift of their Unit to anyone during their lifetime or to devise their Unit by will, or to have it pass by intestacy without any restriction. No Unit can be sold without a simultaneous sale of the undivided interest in the Limited Common Elements that pertain to the Unit.

Each Residential Unit Owner can sell their Residential Unit to whomever they desire. Residential Unit Owners may lease their Residential Units subject to the conditions contained in Section XVIII of the Offering Plan. The Board of Managers does not have the right to approve or disapprove Purchasers.

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

A Unit Owner may mortgage their Unit at any time after they acquire title to the Unit in whatever amount and under whatever terms they can obtain. Any Unit Owner may also, upon the resale of their Unit, grant a purchase money mortgage to a Purchaser of their Unit. A Unit Owner may mortgage their Unit only if all arrears for Common Charges, if any, are provided for at the closing of the mortgage. 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.

Primary responsibility for operating the Condominium rests with the Board of Managers who is elected by the Residential Unit Owners. See Schedule J, Article III in

Part II of the Plan. For information concerning Sponsor's initial control of the Board of Managers, see Section XVI of the Offering Plan.

Each Residential Unit Owner, upon obtaining title, will automatically have one (1) vote at all meetings of the Unit Owners for each of the Residential Units owned by such Residential Unit Owner.

Each Unit will be taxed separately for real estate tax purposes and may be separately mortgaged. Therefore, no Unit Owner is liable for the payment of real estate taxes or mortgage payments on any other Unit. In the opinion of counsel, a Residential Unit Owner is presently entitled to deductions for income tax purposes for payments for real estate taxes applicable to their Residential Unit. In addition, provided the Residential Unit will be the Purchaser's principal residence or one (1) other residence selected pursuant to Section 163(h)(5)(A)(i)(II) of the Internal Revenue Code of 1986, a Residential Unit Owner may also deduct the interest on the mortgage they procure to finance the purchase of their Residential Unit for income tax purposes. See Section XX of the Offering Plan.

Fire and liability insurance covering the General Common Elements are included with other items as part of Common Charges, but fire and liability insurance for the Purchaser's personal effects, the interior of the Residential Unit and the Limited Common Elements for an individual Residential Unit Owner's exclusive use must be carried by the individual Purchaser. Common Charges are levied in proportion to the interest in the "Common Elements" appurtenant to each Unit. For possible increases in Common Charges upon default in payment by a Unit Owner see Section XVIII of the Offering Plan. Each Residential Unit Owner is responsible for the cost of their own interior repairs and decoration in their Residential Unit after closing.

The price of the Residential Units will include only the appliances and fixtures detailed in the Description of Property Report contained in Part II of the Plan. No washer and dryer units will be installed in the Residential Units, however, there are hookups for laundry appliances within all Residential Units. Installation and the cost of any upgraded appliance or appliance not provided is the sole responsibility of each Residential Unit Owner.

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

This Offering Plan contains all of the material terms of this transaction. Parts I and II along with Parts A, B, C and D of the Exhibits submitted along with the Offering Plan together constitute the entire Offering Plan. Copies of the Plan and Parts A, B, C and D of the Exhibits will be available for inspection by Prospective Purchasers and their attorneys without charge and for copying at a reasonable charge at the Condominium site whenever the on-site sales office is open, at the office of the Sponsor, or any Selling

Agent engaged by Sponsor and at the New York State Department of Law, 28 Liberty Street, New York, NY 10005.

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

**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.**

## II. DEFINITIONS

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

1. "Board of Managers" - The governing body of the Condominium responsible for its affairs.

2. "Board Member" - Each individual representative elected, designated or appointed to the Board of Managers.

3. "Building" – The five (5) story building containing forty (40) Residential Units, seventeen (17) Parking Space Units, basement, cellar, roof and bulkhead.

4. "By-Laws" - The document governing the operation of the Condominium.

5. "Common Charges" - Each Unit Owner's proportionate share of the General Common Expenses as determined in accordance with the Common Interest appurtenant to the Unit.

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

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

8. "Common Interest" - The proportionate, undivided interest each Unit Owner has in the Common Elements.

9. "Condominium" –Bellrose Condominium, which is comprised of the Common Elements, Residential Units, the Parking Space Units and Unit Owners.

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

11. "Development" - As used herein refers to Bellrose Condominium.

12. “Equal or Better Quality” – As used herein shall mean comparable or better quality recognized by industry standards for performance, efficiency, longevity, and/or classification, as applicable.

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

14. “Escrow Agent” - The attorney or law firm overseeing the Escrow Account as provided for in Section X of the Offering Plan.

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

16. “Managing Agent” – The management company engaged by the Condominium to handle the day to day operations and management of the community.

17. “Parking Space Units” – The seventeen (17) Parking Space Units, designated for parking use as identified in the Floor Plans in Part II of the Offering Plan, which are to be used solely for parking automobiles and other permitted vehicles.

18. “Purchaser” - The person(s) who have entered into a Purchase Agreement to acquire a Unit in the Condominium.

19. “Purchase Agreement” - The document to be executed by the Purchaser which will obligate the Purchaser to acquire a Unit in the Condominium and which will obligate the Seller to sell to Purchaser the Unit in the Condominium.

20. “Residential Units” - The forty (40) Residential Units designated in the Declaration of Condominium for residential use. As used herein the terms “Residential Unit” is equivalent to the term “Unit” in Article 9-B of the Real Property Law of the State of New York.

21. “Sponsor” - 259 22nd LLC, a New York limited partnership and its successors, assigns and designees.

22. “Storage Room” – one (1) of the fifteen (15) individual storage rooms located in the cellar.

23. “Storage Room License” –the revocable license agreement between Sponsor and Purchaser for the exclusive use of one of the fifteen (15) individual storage rooms

24. “Unit” - A Unit includes all the Units in the Condominium and is divided as follows:

    (a) “Residential Units” - The Units designated in the Declaration of Condominium for residential use.
    (b) “Parking Space Units” - The Units designated in the Declaration of Condominium for parking use.

As used herein the terms “Residential Units and Parking Space Units” are equivalent to the term “Unit” in Article 9-B of the Real Property Law of the State of New York.

25. “Unit Owner” – A Unit Owner includes all the Unit Owners in the Condominium and is divided as follows:

    (a) “Residential Unit Owner” – The owner of a Residential Unit.
    (b) “Parking Space Unit Owner” – The owner of a Parking Space Unit.

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

## III. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Improvements - General Description/Topographical Features

Current status of construction is focused on interior finishes and details. The anticipated substantial completion date is April 2026. The Condominium will consist of forty (40) Residential Units located in a five (5) story building with a lobby on the ground floor level, basement, cellar, roof and bulkhead. In addition, the Condominium will contain seventeen (17) Parking Space Units on the cellar. There shall also be twenty (20) bicycle parking spaces, as a General Common Elements, provided in the cellar floor, on a first come first served basis. The prior use of the property was for the purpose of commercial real estate use. The Zoning permits Residential use as of right. There is a Zoning Lot Development and Easement Agreement recorded CRFM# 2024000256315. This property and proposed use will comply with all zoning and use requirements at closing. Sponsor completed a full a demolition and construction of a new building commenced. There are no environmental Issues with the property.

A recreation room located on the cellar is provided for residential use only. Access will be limited to residing residents only; no commercial use will be permitted. The recreation room shall be finished with tile flooring and gypsum wallboards for the walls and ceilings. The proposed floor material shall be of a non-slip type and shall be appropriate for foot traffic.

An exercise room located on the cellar floor is provided for residential use only. Access will be limited to residing residents only; no commercial use will be permitted. The room shall be finished with Siena Rubber (recycled) Storm Gray SR95102 with underlayment above the concrete deck. The proposed floor material shall be of a non-slip type and shall be appropriate for foot traffic.

Certain Residential Units will have balconies and/or terraces as Limited Common Elements. Balcony and Terrace space may not be legally used as a bedroom or living room and to do so may result in a building code violation being issued for the building. A combo washer and dryer will be provided within each dwelling Unit. Installation and the cost of any upgraded appliance or appliance not provided is the sole responsibility of each Residential Unit Owner.

The types and number of rooms, layouts and variations of the Residential Units are set forth in the Description of Property Report in Part II of the Plan. The site consists of one (1) building over flat land.

The Offering Plan and building plans are available for inspection at the Sponsor’s office at without charge.

The Residential Units, the Building containing them and all other improvements will comply with all applicable rules, regulations, laws, and other requirements of all governmental authorities having jurisdiction thereof, including those governing zoning

and construction, and the Sponsor and all other persons engaged by the Sponsor in connection with this Plan have complied and will comply with all applicable laws, rules and regulations and other governmental requirements pertaining thereto. Construction of the Condominium will comply with the Building Code of the City of New York.

There will be a common storage room, which shall be divided into fifteen (15) individual storage rooms (the "Storage Rooms"); each room shall be sold by Sponsor pursuant to revocable license agreements ("Storage Room License Agreement"), on a first come first served basis. The Purchase price of each Storage Room License is listed in the Schedule following the Footnote to Schedule A (Schedule A-1) in Part I of the Offering Plan. There shall also be a monthly fee for maintenance. Each Purchaser of a Storage Room License shall be obligated to pay a fee to Sponsor's counsel, in the amount of $1,000, for the preparation of the Storage Room License Agreement. Purchasers should that note Storage Rooms may not be used to store any combustible or hazardous materials or other items that may be illegal or cause the Condominium insurance to be increased. Furthermore, Purchasers of Storage Room Licenses may only convey their Storage Rooms to current or future Residential Unit Owners. The Storage Rooms are part of the General Common Elements of the Condominium, which when licensed may be utilized in the same exclusive manner as a limited common element. The Storage Rooms are uninhabitable and may not be legally used as a bedroom/dining/living room and to do so may result in a building code violation. While Sponsor still retains unsold Storage Room licenses, the Sponsor shall be permitted to continue to sell or lease the Storage Room licenses and retain the proceeds from the sale or lease of same, even if Sponsor has sold all Units in the Condominium. All Unit Owners have the option to purchase a Storage Room License, on a first come first served basis. The Storage Rooms will be enclosed with full height rated gypsum drywalls enclosure with lockable fire-rated door. Each Storage Room will be built with full height iron-gate type of enclosure with lockable doors for security. The fire protection of the storage room is by the sprinkler systems. A copy of the Storage Room License Agreement is annexed hereto as Schedule D-6.

Construction Data for Residential Units and Common Elements

The Residential Units and Common Elements have been constructed in the manner set forth in the building plans filed with Building Department of the City of New York and any amendments thereto, which plans will not be changed so as to materially adversely affect the Residential Unit Owners. For a detailed description see Schedule G in Part II of the Plan.

A final certificate of occupancy (PCO) is anticipated in or about April, 2026. Closing of title to the first Residential Unit is expected to occur on or about July, 2026 barring acts of God, sales activity or other unforeseen delays beyond the control of the Sponsor. All measurements within the Condominium and Units are approximate (within reasonable tolerances) and Sponsor retains the right to make changes to the Condominium as long as they comply with the City of New York Department of Buildings. 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.

Easements

Each Unit Owner will have an easement in common with all other Unit Owners for the use, maintenance and repair of all pipes, wires, conduits and public utility lines located in the Common Elements, including any Limited Common Elements, or located in other Units and servicing the Unit Owner's Unit. Each Unit will have an easement of support from all structural members (including, but not limited to, columns, footings, bracings, foundations, slabs, and exterior walls) supporting or serving the Building and any replacements thereof and additions thereto and an easement of necessity, and each Unit will be subject to an easement of support and necessity in favor of all other Units and the Common Elements. Further, each Unit Owner will have an easement for the continuance of any encroachment by their Unit on any adjoining Unit or Common Element now existing or which may come into existence hereafter as a result of the settling of the Building 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 Mangers, its agents and employees shall have a right of access, with three (3) days' notice (where possible) 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 and for the purpose of carrying out any of its obligations under the Declaration and By Laws. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

Allocation of Common Interest

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

Parking Facilities

The Condominium will contain seventeen (17) Parking Space Units located in the cellar floor. Parking Unit P15 has been designated as a handicapped parking space and can accommodate a wheelchair accessible van. The dimension of every parking space is marked with yellow line and is approximately 18' in length and 8'-6" in width. Parking Space Unit compli.es with the NYC Zoning and Building Code. The Sponsor may rent any off-street Parking Space Unit to non-residents of the building, for periods of not less than one week and not more than one month. All off-street Parking Space Unit shall be made available to residents within 30 days after a written request made to the sponsor, by such residents.

The enclosed area shall be capable of supporting electrical vehicle charging stations. Electrical raceway to the electrical supply panel serving the parking shall be capable of providing a minimum of 3.1 kW of electrical capacity to at least 20% of the Parking Space Unit of the area in accordance with section 406.2.11 of the building code of the City of New York.

Separate tax lots will be obtained for each Parking Space Unit. Each Parking Space Unit will be offered for sale to Residential Unit Owners, only, on a first come first served basis. A Residential Unit Owner may purchase more than one Parking Space Unit and said Units will be offered for sale at the prices set forth in Schedule A.

If a Residential Unit Purchaser elects to purchase a Parking Space Unit, the price of the Residential Unit will be increased by the price of said Parking Space Unit and the percentage of Common Interest allocated to such Residential Unit will be increased by the percentage of Common Interest for the Parking Space Unit listed in Schedule A and all Common Charges and individual expenses, including any real estate taxes associated with the Parking Space Unit, will become the responsibility of the applicable Residential Unit Owner.

Parking Space Units may only be used for parking of automobiles or other permitted vehicles. Parking Space Unit Owners may only sell their Parking Space Unit to current or future Residential Unit Owners. Parking Space Unit Owners may lease their Parking Space Unit to current or future Residential Unit Owners or a tenant of a Residential Unit.

A Purchaser may purchase more than one (1) Parking Space Unit. In the event a Purchaser purchases more than one (1) Parking Space Unit, there may not be enough Parking Space Units available for each Purchaser who desires to purchase one.

Purchasers should note, Parking Space Units 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 Parking Space Unit 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.

An accessible car Parking Space Unit (Unit P15) that can accommodate an accessible van are provided on the cellar level; These will be the last Parking Space Units sold if they have not previously been sold to a Purchaser who themselves or a member of their family has a vehicle with handicapped plates. The purchase of these Parking Space Units and any subsequent sale or transfer of them are subject to the following covenants and restrictions in the deed:

In the event the present or future owner of a Unit in the condominium, or a member of his or her family residing in the Unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and said Unit Owner is not the owner of an accessible Parking Space Unit, said Unit Owner has the right to demand that the owner of an accessible Parking Space Unit trade the handicapped parking space he/she owns with said handicapped Unit Owner.

In the event the present or future owner of a Unit or member of his or her family member residing in the Unit, becomes handicapped and said Unit Owner does not own a Parking Space Unit, said Unit Owner has the right to demand that the owner of an accessible Parking Space Unit sell it at then current, fair market value to said handicapped Unit Owner. All costs and expenses entailed in the transfer of title to the Parking Space Units, including without limitation, title abstracts, title insurance, transfer taxes and recording fees and reasonable attorney fees shall be borne by the party requesting the transfer. The owner of an accessible Parking Space Unit must comply with the aforementioned demand upon thirty (30) days written notice.

If the parties cannot agree on the fair market value of an accessible Parking Space Unit, then the parties agree to submit the matter to binding arbitration in accordance with Article XIII of the By-Laws of the Condominium.

The Condominium is not located in a designated flood zone by any local, state, or federal agency. See the Description of Property and Specification Report in Part II of the Offering Plan.

## IV. LOCATION AND AREA INFORMATION

Location and Acreage

The Condominium is located at 259 22nd Street in Greenwood Heights, Brooklyn County, New York. Access to the Condominium is on 22nd Steet, a New York City public street. The Condominium will consist of a total lot area of approximately 14,206 square feet. The property is zoned R6B, which permits construction of the Condominium.

Area Information

The Condominium property is located between 259 22nd Street in Greenwood Heights, Brooklyn County, New York. All surrounding areas are fully developed, and comprising of single and multiple dwellings, including condominiums and cooperative apartments, various grocery stores, schools, restaurants and public facilities.

Public services such as police and fire protection, street maintenance and water service are provided by the City of New York. There is a police station, 830 Fourth Avenue, Brooklyn, NY 11232, located 0.9 miles away. Fire Station, FDNY Engine 220 & Ladder 122, is located approximately 1.2 miles at 530 11th Street, Brooklyn, New York 11215.

The City of New York provides police, fire, sanitation, snow removal and road maintenance.

Utilities

The following utilities will service the Condominium:

Water and Sewer Service: Water is obtained from a tap to the water main located in a public street maintained by New York City Water Board and will be metered for the entire Building. All water expenses will be a Common Charge of the Condominium.

Sewer Service: The Building will be connected to the sanitary sewer located on a public street and maintained by the New York City Sewer Department. The Condominium will be responsible to maintain and repair the sewer within the boundary of the Condominium. The sewer tax will be paid as part of the Common Charges of the Condominium.

Gas Service: There is no Gas service.

Electrical Service: Electrical service will be provided by Consolidated Edison of New York, which is a public utility. All Residential Units will be separately metered for individual electric consumption and all costs associated therewith will be the sole responsibility of each Residential Unit Owner. See Schedule B-1 for

estimated individual electrical costs. All common electric will be included in the Common Expenses of the Condominium and charged to each Residential Unit Owner as part of their Common Charges. There is no emergency generator in the Building.

Sanitation: Refuse removal will be provided by the City of New York City. There is no refuse chute in the Building. The individual Residential Unit Owners will be responsible for bringing their trash to the curb for pickup. Public sanitation pick-up is provided twice weekly by the NYC Department of Sanitation.

Telephone: Verizon and/or another service provider will provide telephone service. Each Residential Unit will be separately billed and the telephone service to each Residential Unit will be the sole responsibility of each Residential Unit Owner. The telephone charges with respect to the Common Elements of the Building will be borne by each Residential Unit Owner as a Common Expense.

Cable Television: Verizon and/or another service provider will provide cable television services. Each Residential Unit will be separately billed and the cable service to each Residential Unit will be the sole responsibility of each Residential Unit Owner.

Internet: Verizon Fios or another service provider will provide high-speed internet services. Each Residential Unit will be separately billed and the internet service to each Residential Unit will be the sole responsibility of each Residential Unit Owner.

Intercom: A video intercom system with the ability to trigger an electronic door lock on the vestibule door will be provided to each Residential Unit.

Snow Removal/Road Maintenance: Snow removal and road maintenance for all public streets adjoining the Condominium is provided by The New York City Sanitation Department.

## Medical, Educational, Transportation and Other Facilities

### Hospitals

New York Presbyterian Brooklyn Methodist Hospital is located at 506 6th Street, Brooklyn, NY 11215, approximately 1.2 miles away.

### Schools

The nearest schools are PS 372 The Children's School 1.7 miles away, PS 133 William A. Butler School approximately 1.9 miles away. Although the schools referred to above may be the schools that the children of the Condominium will attend, no representation can be made as to the actual schools, nor whether the children will have school bus service provided.

Public Transportation

The Condominium is convenient to all forms of transportation. The nearest Subway Station located at 5th Avenue & 21st in Sunset Park, Brooklyn.

Parks/Playgrounds

There are many parks and playgrounds in the neighborhood. Park 17, and Slope Park Playground, Travers Park are located approximately .4 miles away.

Religious

There are houses of worship for many faiths in the near vicinity of the Community.

Zoning

The Condominium is zoned R6B. Residential Use which allows for construction of the Condominium. The surrounding areas are basically developed as follows:

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

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

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

## V. SCHEDULE A

ESTIMATED INDIVIDUAL EXPENSES FOR THE FIRST FULL YEAR AT

**Bellrose Condominium**

For the Period of July 1, 2026 to June 30, 2027

| Unit | (1) Price | (2) Number of Rooms, Bedrooms (BR), Bathrooms (BTH) | Approximate Floor Area in Square Feet | | | (3) Percentage of Common Interest | (4) Estimated Monthly Common Charges | (5) Estimate of Monthly Real Estate Taxes | (5) Estimate of Annual Real Estate Taxes | Total Monthly Combined Common Charges & Real Estate Taxes |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Unit | LCE Balcony ("B") Terrace ("T") | Total | | | | | |
| 1A | $795,000 | 1Br/1Bth | 629 | 0 | 629 | 1.4466% | $373.55 | $692.13 | $8,305.51 | $1,065.68 |
| 1B | $795,000 | 1Br/1Bth | 578 | 0 | 578 | 1.3293% | $343.26 | $636.00 | $7,632.04 | $979.26 |
| 1C | $1,100,000 | 2Br/2Bth | 760 | 0 | 760 | 1.7479% | $451.35 | $836.28 | $10,035.39 | $1,287.63 |
| 1D | $795,000 | 1Br/1Bth | 616 | 0 | 616 | 1.4167% | $365.83 | $677.82 | $8,133.84 | $1,043.65 |
| 1E | $795,000 | 1Br/1Bth | 666 | 0 | 666 | 1.5317% | $395.53 | $732.84 | $8,794.10 | $1,128.37 |
| 1F | $2,200,000 | 3Br/2Bth | 1,475 | 1,260 | 2,735 | 3.3924% | $876.01 | $1,623.09 | $19,477.13 | $2,499.10 |
| 1G | $2,200,000 | 3Br/2Bth | 1,228 | 1,496 | 2,724 | 2.8243% | $729.31 | $1,351.29 | $16,215.44 | $2,080.60 |
| 1H | $1,995,000 | 3Br/2Bth | 1,279 | 1,320 | 2,599 | 2.9416% | $759.60 | $1,407.41 | $16,888.90 | $2,167.01 |
| 2A | $1,849,000 | 3Br/2Bth | 1,315 | 133 | 1,448 | 3.0244% | $780.98 | $1,447.02 | $17,364.29 | $2,228.00 |
| 2B | $1,175,000 | 2Br/2Bth | 884 | 0 | 884 | 2.0331% | $525.00 | $972.74 | $11,672.84 | $1,497.74 |
| 2C | $1,130,000 | 2Br/2Bth | 847 | 0 | 847 | 1.9480% | $503.03 | $932.02 | $11,184.25 | $1,435.05 |
| 2D | $1,849,000 | 3Br/2Bth | 1,340 | 133 | 1,473 | 3.0819% | $795.83 | $1,474.54 | $17,694.42 | $2,270.37 |
| 2E | $1,849,000 | 3Br/2Bth | 1,343 | 133 | 1,476 | 3.0888% | $797.61 | $1,477.84 | $17,734.04 | $2,275.45 |
| 2F | $1,145,000 | 2Br/2Bth | 871 | 0 | 871 | 2.0032% | $517.28 | $958.43 | $11,501.17 | $1,475.71 |
| 2G | $1,145,000 | 2Br/2Bth | 864 | 0 | 864 | 1.9871% | $513.12 | $950.73 | $11,408.74 | $1,463.85 |
| 2H | $1,899,000 | 3Br/2Bth | 1,319 | 133 | 1,452 | 3.0336% | $783.36 | $1,451.43 | $17,417.11 | $2,234.79 |
| 3A | $1,875,000 | 2Br/2Bth | 1,369 | 0 | 1,369 | 3.1486% | $813.05 | $1,506.45 | $18,077.37 | $2,319.50 |
| 3B | $815,000 | 1Br/1Bth | 610 | 0 | 610 | 1.4029% | $362.27 | $671.22 | $8,054.61 | $1,033.49 |
| 3C | $1,155,000 | 2Br/2Bth | 844 | 0 | 844 | 1.9411% | $501.24 | $928.72 | $11,144.63 | $1,429.96 |
| 3D | $1,200,000 | 2Br/2Bth | 847 | 0 | 847 | 1.9480% | $503.03 | $932.02 | $11,184.25 | $1,435.05 |
| 3E | $1,869,000 | 3Br/2Bth | 1,340 | 140 | 1,480 | 3.0819% | $795.83 | $1,474.54 | $17,694.42 | $2,270.37 |
| 3F | $1,825,000 | 2Br/2Bth | 1,343 | 140 | 1,483 | 3.0888% | $797.61 | $1,477.84 | $17,734.04 | $2,275.45 |

## V. SCHEDULE A

ESTIMATED INDIVIDUAL EXPENSES FOR THE FIRST FULL YEAR AT

**Bellrose Condominium**

For the Period of July 1, 2026 to June 30, 2027

| Unit | (1) Price | (2) Number of Rooms, Bedrooms (BR), Bathrooms (BTH) | Approximate Floor Area in Square Feet | | | (3) Percentage of Common Interest | (4) Estimated Monthly Common Charges | (5) Estimate of Monthly Real Estate Taxes | (5) Estimate of Annual Real Estate Taxes | Total Monthly Combined Common Charges & Real Estate Taxes |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Unit | LCE Balcony ("B") Terrace ("T") | Total | | | | | |
| 3G | $1,225,000 | 2Br/2Bth | 871 | 0 | 871 | 2.0032% | $517.28 | $958.43 | $11,501.17 | $1,475.71 |
| 3H | $1,225,000 | 2Br/2Bth | 863 | 0 | 863 | 1.9848% | $512.53 | $949.63 | $11,395.53 | $1,462.16 |
| 3I | $825,000 | 1Br/1Bth | 612 | 0 | 612 | 1.4075% | $363.45 | $673.42 | $8,081.02 | $1,036.87 |
| 4A | $1,849,000 | 2Br/2Bth | 1,369 | 0 | 1,369 | 3.1486% | $813.05 | $1,506.45 | $18,077.37 | $2,319.50 |
| 4B | $850,000 | 1Br/1Bth | 610 | 0 | 610 | 1.4029% | $362.27 | $671.22 | $8,054.61 | $1,033.49 |
| 4C | $1,180,000 | 2Br/2Bth | 844 | 0 | 844 | 1.9411% | $501.24 | $928.72 | $11,144.63 | $1,429.96 |
| 4D | $1,225,000 | 2Br/2Bth | 847 | 0 | 847 | 1.9480% | $503.03 | $932.02 | $11,184.25 | $1,435.05 |
| 4E | $1,889,000 | 3Br/2Bth | 1,340 | 140 | 1,480 | 3.0819% | $795.83 | $1,474.54 | $17,694.42 | $2,270.37 |
| 4F | $1,929,000 | 3Br/2Bth | 1,343 | 140 | 1,483 | 3.0888% | $797.61 | $1,477.84 | $17,734.04 | $2,275.45 |
| 4G | $1,245,000 | 2Br/2Bth | 871 | 0 | 871 | 2.0032% | $517.28 | $958.43 | $11,501.17 | $1,475.71 |
| 4H | $1,245,000 | 2Br/2Bth | 863 | 0 | 863 | 1.9848% | $512.53 | $949.63 | $11,395.53 | $1,462.16 |
| 4I | $840,000 | 1Br/1Bth | 612 | 0 | 612 | 1.4075% | $363.45 | $673.42 | $8,081.02 | $1,036.87 |
| 5A | $1,995,000 | 3Br/2Bth | 1,262 | 277 | 1,539 | 2.9025% | $749.50 | $1,388.70 | $16,664.41 | $2,138.20 |
| 5B | $1,995,000 | 3Br/2Bth | 1,253 | 277 | 1,530 | 2.8818% | $744.16 | $1,378.80 | $16,545.57 | $2,122.96 |
| 5C | $2,095,000 | 3Br/2Bth | 1,255 | 277 | 1,532 | 2.8864% | $745.35 | $1,381.00 | $16,571.98 | $2,126.35 |
| 5D | $2,095,000 | 3Br/2Bth | 1,257 | 277 | 1,534 | 2.8910% | $746.53 | $1,383.20 | $16,598.39 | $2,129.73 |
| 5E | $1,875,000 | 3Br/2Bth | 1,203 | 250 | 1,453 | 2.7668% | $714.46 | $1,323.78 | $15,885.31 | $2,038.24 |
| 5F | $1,875,000 | 3Br/2Bth | 1,192 | 250 | 1,442 | 2.7415% | $707.93 | $1,311.67 | $15,740.05 | $2,019.60 |
| P1 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P2 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P3 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P4 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |

## V. SCHEDULE A

ESTIMATED INDIVIDUAL EXPENSES FOR THE FIRST FULL YEAR AT

**Bellrose Condominium**

For the Period of July 1, 2026 to June 30, 2027

| Unit | (1) Price | (2) Number of Rooms, Bedrooms (BR), Bathrooms (BTH) | Approximate Floor Area in Square Feet | | | (3) Percentage of Common Interest | (4) Estimated Monthly Common Charges | (5) Estimate of Monthly Real Estate Taxes | (5) Estimate of Annual Real Estate Taxes | Total Monthly Combined Common Charges & Real Estate Taxes |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Unit | LCE Balcony ("B") Terrace ("T") | Total | | | | | |
| P5 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P6 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P7 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P8 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P9 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P10 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P11 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P12 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P13 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P14 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P15 | $125,000 | Parking | 198 | 0 | 198 | 0.4554% | $117.60 | $5.96 | $71.46 | $123.56 |
| P16 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| P17 | $125,000 | Parking | 153 | 0 | 153 | 0.3519% | $90.87 | $4.60 | $55.22 | $95.47 |
| **Total** | **$61,037,000** | **N/A** | **43,480** | **6,776** | **50,256** | **100.0000%** | **$25,822.68** | **$45,012.86** | **$540,153.98** | **$70,835.54** |

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

**Balcony/ Rear Yard Space may not be legally used as bedroom/living space; to do so may result in a building code violation issued for building.
Cellar space has less light and air than ordinary living space and it is more susceptible to dampness.

*** Square footage of Unit is interior space ONLY. Square footage of exterior and storage non-habitable space, if any, is shown & calculated separately above.

## FOOTNOTES TO SCHEDULE A

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

2. Purchasers should refer to the floor plans in Schedule G of Part II of the Plan for details of each type of Unit. The square footage of each Unit has been based on the area measured horizontally approximately to the outside face of the masonry work at the exterior walls of the building and approximately to the non-unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces). Dimensions shall be to the centerline when a partition divides two units. However, any Common Elements located within a Unit, if any, shall not be considered a part of such Unit. As such the areas are not based upon measurements from interior surfaces of interior walls, the actual floor area comprising the Residential Unit is significantly less than the area listed in Schedule A.

3. The Common Interest of each Residential Unit has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York. This percentage determines the amount that the Residential Unit Owners will pay for their Common Charges. The percentage of Residential Common Interest will determine the amount each individual Unit Owner will pay for their Common Charges.

4. Common Charges have been estimated by the Sponsor and include fire and liability insurance for the Units and Common Elements and maintenance and operation of the General Common Elements. Common Charges exclude repair and decoration to the inside of a Residential Unit, utilities for each Residential Unit and insurance for personal belongings. See Schedule B-1 for estimated heating and electrical costs for the Residential Units.

5. The Condominium is not eligible for 421-a tax benefits. Schedule A reflects the estimated taxes for the Residential Units.

   Real estate tax estimates are based upon current real estate tax assessment information from the New York City Department of Finance and an opinion letter

dated March 17, 2025 from Highpoint Incentive Inc, 715 Virginia Street, Far Rockaway, NY 11691. As per Rules and Regulations set by the Department of Finance, multiple residential Class (A) units would be categorized as Tax Class (2), with a tax rate of 12.439% (i.e., 12.439 per $100 of assessed value), the 2026/2027 tax rate. The residential parking units will be categorized as Tax Class (4) with a tax rate of 10.848% (i.e., 10.848 per $100 of assessed value), the 2026/2027 tax rate, {although it is unlikely that the tax rate will remain as it is currently). The total assessed value and real estate tax liabilities will be approximately as follows.

Assuming the assessment rate for the first twelve (12) months of condominium operation using the 2026/2027 tax year for Tax Class (2) properties @ 45% of estimated value, then the estimated assessed value for the first twelve (12) months of condominium operation beginning July 1, 2026 through June 30, 2027 will be $4,615,644.

Assuming the tax rate for the first twelve (12) months of condominium operation, using the tax rate for the 2026/2027 tax year for Tax Class (2) properties remains 12.439% per $100 of assessed value, then the estimated tax for the first twelve (12) months after completion of construction, the first twelve (12) months of condominium operation beginning July 1, 2026 through June 30, 2027 will be $574,140.

**Estimated Residential Tax Schedule**
**Twelve (12) months – July 1, 2026 – June 30, 2027**

| Unit | | Square footage | Tax Assessment | Tax |
|---|---|---|---|---|
| | | 41,010 | $4,615.644 | $574,140 |

Assuming the assessment rate for the first twelve (12) months of condominium operation, using the 2026/2027 tax year for Tax Class (4) properties at 45% of estimated value, then the estimated assessed value for the first twelve (12) months after completion of construction, first twelve (12) months of condominium operation beginning July1, 2026 through June 30, 2027 will be $144,644.17.

Assuming the tax rate for the first twelve (12) months of condominium operation, using the tax rate for the 2026/2027 tax year for Tax Class (4) properties@ 10.848% per $100 of assessed value then the estimated tax for the first twelve (12) months after completion of construction, with the first twelve (12) months of condominium operation beginning July 1 2026 through June 30, 2027 will be $15,691,

**Estimated Parking Units Tax Schedule**
**Twelve (12) Months – July 1, 2026 through June 30, 2027**

| Unit | Square Footage | Assessed Valuation | Annual Tax |
|---|---|---|---|
| | 2754 | $144,644.17 | $15,691 |

Assessed valuations, when actually made, may be lesser or greater based on interpretation of the administrative code and the applicable rules and regulations of the City of New York. The estimates are not intended, and should not be construed as warranties as to future assessed valuations of the Property. In the event actual real estate taxes differ than from the estimates provided herein, Purchasers will not be offered rescission.

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

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

It is anticipated that the closing to the first Residential Unit will occur on or about July 1, 2026. In the event said date is delayed by twelve (12) months or more, Purchasers will be offered a right of rescission.

Purchasers should note that the $10,000 per year tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000 threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold.

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

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

6. The Sponsor is not offering and has not procured mortgage financing. As a result, the projected monthly carrying charges for financing have not been included in Schedule A. In the event a Purchaser obtains a mortgage, a Purchaser's monthly carrying charges will increase. Any Purchaser who applies for a mortgage from a lending institution should check with that institution as to the monthly mortgage costs as well as any closing costs that the Purchaser will be obligated to pay the

lending institution. In the event a Purchaser of a Residential Unit obtains a mortgage, the interest payable on a qualifying mortgage, up to a maximum loan amount of $750,000, will be deductible for income tax purposes provided the Residential Unit will be the Purchaser's principal residence or one (1) other residence selected pursuant to the Internal Revenue Code.

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

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

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

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

   • The conveyance of residential real property where the consideration for the entire conveyance is $3 million or more.
   • The conveyance of real property other than residential real property where the consideration for the entire conveyance is $2 million or more.

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

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

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

See Section XVI of the Offering Plan as to how the above taxes are calculated. See the Purchase Agreement set forth as Schedule D. See Section XVI.

## VI. SCHEDULE A-1

**Bellrose Condominium**
**Schedule of Estimated Purchase Prices and Expenses**
**for Storage Room Licenses**
**July 1, 2026 – June 30, 2027**

| Storage ("ST") Room Number | Estimated SqFt | Estimated Purchase Price | Estimated Monthly Maintenance Fee |
|---|---|---|---|
| ST01 | 16 | $30,000 | TBD |
| ST02 | 24 | $30,000 | TBD |
| ST03 | 38 | $30,000 | TBD |
| ST04 | 40 | $30,000 | TBD |
| ST05 | 40 | $30,000 | TBD |
| ST06 | 45 | $30,000 | TBD |
| ST07 | 40 | $30,000 | TBD |
| ST08 | 51 | $30,000 | TBD |
| ST09 | 45 | $30,000 | TBD |
| ST10 | 47 | $30,000 | TBD |
| ST11 | 47 | $30,000 | TBD |
| ST12 | 47 | $30,000 | TBD |
| ST13 | 47 | $30,000 | TBD |
| ST14 | 47 | $30,000 | TBD |
| ST15 | 61 | $30,000 | TBD |

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

## VII. SCHEDULE B

### Bellrose Condominium
### PROJECTED BUDGET FOR FIRST YEAR OF OPERATION

**July 1, 2026 to June 30, 2027**

| | | | |
|---|---|---|---|
| INCOME | (1) | 40 Residential Units<br>17 Parking Space Units | **$309,872** |
| EXPENSES | | | |
| | (2) | Labor (See FN 7) | $ 0 |
| | (3) | Electricity | $ 13,900 |
| | (4) | Gas | $ 0 |
| | (5) | Water & Sewer | $ 25,116 |
| | (6) | Repairs, Maintenance & Supplies | $ 13,000 |
| | (7) | Service Contracts | $ 145,065 |
| | (8) | Insurance | $ 45,621 |
| | (9) | Management Fee | $ 30,000 |
| | (10) | Legal & Auditing Fees | $ 7,000 |
| | (11) | Other Expenses | $ 1,000 |
| | (12) | Contingency | $ 1,000 |
| | (13) | Reserve | $ 28,170 |
| | | **Total Expenses** | **$309,872** |

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

## FOOTNOTES TO SCHEDULE B

### (1) INCOME

The estimated common charges to be collected from unit owners during the first year of condominium operation are based upon the assumption that the first year of condominium operation will be the twelve months commencing July 1, 2026. The actual first year of operation may be earlier or later.

In the event the projected commencement date of the first year of condominium operation is to be delayed more than six (6) months from the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. Sponsor will not declare the Plan effective if any material changes to the budget are not yet disclosed in an amendment to the Plan.

If the common charges in the revised budget projections exceed the earlier budget projections by twenty-five percent (25%) or more, the sponsor will offer all purchasers the right to rescind their purchase agreements and have their deposits refunded to them, whether or not the sponsor offers to guarantee the earlier budget projections.

### (2) LABOR

The Administrative Code of the City of New York, § 27-2052, et seq., requires one of the following when a building has 9 or more (rental) units: (1) that the owner performs the janitorial services; or (2) that there be a full-time superintendent who resides in the building or within 200 feet of the building; or (3) that there be a janitorial service approved by the Department of Buildings available 24 hours per day.

Based on a proposal from FCMRE First Class Management (the “Managing Agent”), 185-08 Union Tpke Suite 107, Fresh Meadows, NY 11366.

See Footnote (7) for staffing information.

### (3) ELECTRICITY & GAS

Sponsor has obtained an estimate from ARK Engineering, Consultant, PC located at 61-43 186th Street, Suite 501, Fresh Meadows, NY 11365 and has estimated the costs for electricity consumption for the first year of condominium operation for the common areas based on similar buildings.

The cost for common area electricity consumption includes utility rooms, exterior, entrance, stairway, and hallway common area lighting, as well as miscellaneous small electrical loads such as hot water circulating pumps, ejector pumps, sprinkler, gym equipment, security system etc., and are assumed to be centrally billed and metered separately. Gas service is not supplied for this building. Water/Sewer consumption are also assumed to be metered centrally and billed as a common bill.

Solar Panels:

As per information provided by Sponsor, Phono Solar 550W solar panels will be installed to supply electricity for the common areas with an estimated capacity to meet the projected consumption. The solar system will contain eighteen (18) solar panels with a total production of twelve thousand kilowatts per year (12,000 KWh). Solar panel costs will be covered by ownership as the first-year expense. Subsequent years are estimated to incur a cost as billed by the utility company. Sponsor will pay initial costs of solar panels of fifty-one thousand dollars ($51,000).

**Estimated Electricity Consumption Expenses for Common Areas w/o Solar Panels (1st Year)**

| TOTAL CONSUMPTION KWH/YR | AVERAGE RATE /KWH | ANNUAL TOTAL PROJECTED COST |
|---|---|---|
| 41,880 | $0.33 | **$13,894** |

**Estimated Electricity Consumption Expenses for Common Areas with Solar Panels (First Year)**

| TOTAL CONSUMPTION KWH/YR | AVERAGE RATE /KWH | ANNUAL TOTAL PROJECTED COST |
|---|---|---|
| 29,497 | $0.33 | ***$9,808** |

There shall be **no** Gas service in this building.

## (5) WATER & SEWER

The Sponsor has obtained an estimate from ARK Engineering Consultant, PC., located at 61-43 186th Street, Suite 501, Fresh Meadows NY 11365 and has estimated the costs for water and sewer consumption for the first year of condominium operation for the common areas based on similar buildings.

## (6) REPAIRS & MAINTENANCE

Since the building will be newly constructed, it has no operating history upon which to project future costs of repairs and maintenance. No major capital repairs are included in the first year's budget since all major construction and mechanical systems will be new. Future major capital repairs to the common elements will be borne by all unit owners.

The budgeted figure for this item includes the cost of normal maintenance and repairs to the common elements of the building that are the responsibility of the condominium. Each unit owner will be responsible for the cost of the interior maintenance, repairs, decoration and painting of their respective units, including the appliances, incremental heating/air-conditioning units and any Limited Residential Common Elements appurtenant thereto.

## (7) SERVICES & SUPPLIES

Based on a proposal from New York City Cleaning and Maintenance Group, LLC, located at 200 Sunrise Highway, Floor 3, Rockville Center, NY 11570, dated October 9, 2025, this company will provide the Condominium with doorman/concierge services and porter services. These employees will not be a direct hire employee of the Condominium.

The doorman shall monitor access and offer concierge-like assistance to residents. Responsibilities include greeting residents and guests, managing deliveries and packages, and acting as a general point of contact. The estimated cost for staffing a doorman, based on a five-day work week, forty (40) hours per week, shall be at a rate of $5,500 per month or $66,000 annually.

The porter is responsible for upkeep of all common areas, including the lobby, hallways, elevators, and amenity spaces. Duties include routine cleaning, trash removal, and minor maintenance tasks to ensure the building remains in habitable condition. The estimated cost for staffing a porter, based on a five-day work week, forty (40) hours per week, shall be at a rate of $5,000 per month or $60,000 annually.

The total cost for doorman/concierge services and porter services is estimated to be at a rate of $126,000 annually.

It is projected that the Condominium will enter into maintenance/service agreements for the following services:

| | |
|---|---|
| Fire Alarm | $2,620 |
| Fire Pump & Sprinkler | $2,500 |
| Elevator Maintenance (for the 1 elevator in bldg.) | $7,200 |
| Phone and Internet | $3,600 |
| RPZ Backflows | $1,645 |
| Virtual Doorman | $1,500 |
| Doorman/ Concierge & Porter | $126,000 |

FCMRE First Class Management (the “Managing Agent”), 185-08 Union Tpke Suite 107, Fresh Meadows, NY 11366 shall enter into agreements on or about the first cloing.

## (8) INSURANCE

Based upon the proposal from GM Insurance Brokerage, 199 Lee Avenue, #288 Brooklyn, for insurance coverage for the building for the first year of condominium operation:

PROPERTY INSURANCE

- Building Limit $19,289,500.00
- Business Income & Extra Expense

- Flood

GENERAL LIABILITY INSURANCE

- $1,000,000 Each Occurrence Limit
- $2,000,000 General Aggregate Limit
- $1,000,000 Personal and Advertising Injury Limit

DIRECTOR & OFFICER LIABILITY INSURANCE

- Included in quote

**TOTAL ESTIMATED ANNUAL PREMIUM: $45,621**

The actual coverage quoted in the plan for All Risk/Replacement cost basis. The property limits are based on Agreed Amount, which shall waive co-insurance.

The coverages and limits are provided with the assumption that no lien holder on this property would require coverage and or limits greater than that which is customary on comparable properties in New York. The estimates are based on a building that has no prior loss history.

The above proposed coverages are provided by a New York licensed company with a minimum of A.M. best rating of "A"– and meets the requirements of any mortgage lender produces by Sponsor.

Each individual Unit Owner should consider the desirability of obtaining additional insurance at his own cost for the following coverage, which is not included in the above coverage: fire or casualty losses to the contents of his unit and any replacements, additions, upgraded fixtures and improvements therein; and liability for personal injury or property damage as a result of occurrences in his unit, including water damage legal liability to cover damage arising from leaks or other conditions within the unit.

## (9) MANAGEMENT FEE

At or prior to the First Closing, the condominium will enter into a management agreement with FCMRE First Class Management (the "Managing Agent"), 185-08 Union Tpke Suite 107, Fresh Meadows, NY 11366, The agreement will be for an initial term of (five) 5 year. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than thirty (30) days' prior written notice. Principals of the Sponsor are not affiliated with the Managing Agent.

The Managing Agent will receive an annual fee of $30,000 payable in equal monthly installments of $2,500 and shall increase 5% per year. The Managing Agent's fee for the first year of condominium operation is comparable to the "going rate" for similar services in comparable buildings.

See the section of the plan entitled “Agreements Affecting Building Operations” for further details.

## (10) LEGAL & AUDITING FEES

The condominium will engage a law firm to act as the attorney for the condominium. The estimated cost for these legal services for the condominium’s first year is $2,500. It is anticipated that the condominium will enter into an agreement with DGM, CPA PC located at 200 Sunrise Highway 3rd FL Rockville Centre, NY 11570, to provide audit, tax returns preparation, and financial statement preparation services for the condominium. It is estimated that the first-year cost for these services will be $7,000.

## (11) Other Expenses

The budget includes a proposed rate of $1000 for other expenses. This is estimate is based on historic expenses of similar new construction buildings.

## (12) CONTINGENCY

This item is included in the budget to provide funds for unforeseen increases in Residential Common Expenses and General Common Expenses before or after the First Closing or to cover expenses not included in this budget. The estimate is based on historic expenses of similar new construction buildings.

## (13) RESERVE FOR EQUIPMENT REPLACEMENT

A reserve amount, which equals 10% of the budget, less the reserve line item, is being held for replacement of the Common Elements. No representation is made that the reserve fund will be adequate for future replacements of Common Elements or for major capital repairs or replacements. However, it is not anticipated that there will be the need for replacement of capital items in the first five years. In the unlikely event additional funds are required over and above the reserve fund, it may be necessary to increase the maintenance charges or Common Charges payable by the Unit Owners or to collect a Special Assessment from each Unit Owner. During the period Sponsor is in control of the Board of Managers, the reserve fund will not be used to reduce the estimated Common Charges. See Section XXII Reserve Fund.

IN THE OPINION OF FCMRE FIRST CLASS MANAGEMENT CONSULTANT (SET FORTH IN “CERTIFICATION OF SPONSOR’S EXPERT CONCERNING ADEQUACY OF BUDGET,” IN PART II OF THIS PLAN), THE PROJECTED RECEIPTS APPEAR REASONABLE AND ADEQUATE BASED ON PRESENT PRICES (ADJUSTED TO REFLECT CONTINUED INFLATION AND PRESENT LEVELS OF CONSUMPTION FOR COMPARABLE RESIDENTIAL UNITS SIMILARLY SITUATED) TO MEET THE ESTIMATED EXPENSES FOR THEIR FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE YEAR COMMENCING JULY OF 2026. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE

TAKEN AS A WARRANTY THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE CONDOMINIUM BOARD WILL BE AS SET FORTH IN THE SAID BUDGET. IT IS LIKELY THAT THE ACTUAL COMMON EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

## VIII. SCHEDULE B-1
## July 1, 2026 to June 30, 2027

The following are the projected individual electrical costs for the Residential Units based on information in the report, dated June 26, 2025, from ARK Engineering, PC located at 61-43 186th Street, Suite 501, Fresh Meadows, NY 11365, for heating/cooling Units, electric recovery ventilators, and electric washer/dryer machines. Other appliances for each Residential Unit include televisions, Wi-Fi modems, cable boxes, microwaves, water dispensers, vacuum, dishwashers, rice cookers, refrigerator, electronic devices, hair dryer, range hood, fans, lighting, and other various items. as follows:

| UNIT | TOTAL CONSUMPTION KWH/YR | AVERAGE RATE /KWH | ANNUAL TOTAL PROJECTED COST |
|---|---|---|---|
| | | | |
| Residential Unit 1A | 8,316 | $0.33 | $2,744 |
| Residential Unit 1B | 8,316 | $0.33 | $2,744 |
| Residential Unit 1C | 9,847 | $0.33 | $3,250 |
| Residential Unit 1D | 8,316 | $0.33 | $2,744 |
| Residential Unit 1E | 8,316 | $0.33 | $2,744 |
| Residential Unit 1F | 11,636 | $0.33 | $3,840 |
| Residential Unit 1G | 11,636 | $0.33 | $3,840 |
| Residential Unit 1H | 11,636 | $0.33 | $3,840 |
| Residential Unit 2A | 11,636 | $0.33 | $3,840 |
| Residential Unit 2B | 9,847 | $0.33 | $3,250 |
| Residential Unit 2C | 9,847 | $0.33 | $3,250 |
| Residential Unit 2D | 11,636 | $0.33 | $3,840 |
| Residential Unit 2E | 11,636 | $0.33 | $3,840 |
| Residential Unit 2F | 9,847 | $0.33 | $3,250 |
| Residential Unit 2G | 9,847 | $0.33 | $3,250 |
| Residential Unit 2H | 11,636 | $0.33 | $3,840 |
| Residential Unit 3A | 10,814 | $0.33 | $3,569 |
| Residential Unit 3B | 8,316 | $0.33 | $2,744 |
| Residential Unit 3C | 9,847 | $0.33 | $3,250 |
| Residential Unit 3D | 9,847 | $0.33 | $3,250 |
| Residential Unit 3E | 11,636 | $0.33 | $3,840 |
| Residential Unit3F | 11,636 | $0.33 | $3,840 |
| Residential Unit 3G | 9,847 | $0.33 | $3,250 |
| Residential Unit 3H | 9,847 | $0.33 | $3,250 |
| Residential Unit 3I | 8,316 | $0.33 | $2,744 |

| | | | |
|---|---|---|---|
| Residential Unit 4A | 10,814 | $0.33 | $3,569 |
| Residential Unit 4B | 8,316 | $0.33 | $2,744 |
| Residential Unit 4C | 9,847 | $0.33 | $3,250 |
| Residential Unit 4D | 9,847 | $0.33 | $3,250 |
| Residential Unit 4E | 11,636 | $0.33 | $3,840 |
| Residential Unit4F | 11,636 | $0.33 | $3,840 |
| Residential Unit 4G | 9,847 | $0.33 | $3,250 |
| Residential Unit 4H | 9,847 | $0.33 | $3,250 |
| Residential Unit 4I | 8,316 | $0.33 | $2,744 |
| Residential Unit 5A | 11,636 | $0.33 | $3,840 |
| Residential Unit 5B | 11,636 | $0.33 | $3,840 |
| Residential Unit 5C | 11,636 | $0.33 | $3,840 |
| Residential Unit 5E | 11,636 | $0.33 | $3,840 |
| Residential Unit 5F | 11,636 | $0.33 | $3,840 |

The estimates above are based on averages and assumptions in the plan. These These estimates may be more or less, depending on various conditions during occupancy.The estimated costs include utility rates in effect which are utility surcharges for fuel adjustments, applicable taxes and inflations. The cost estimate is not intended to be guaranteed.

The cost for electricity consumption for each residential unit includes heating/cooling units, electric recovery ventilators, and electric washer/dryer machines. Other appliances for each residential unit include televisions, Wi-Fi modems, cable boxes, microwaves, water dispensers, vacuum, dishwashers, rice cookers, refrigerator, electronic devices, hair dryer, range hood, fans,
lighting, and other various items.

Although the Sponsor is under obligation to provide accurate information to prospective Purchasers, factors beyond its control may substantially affect the cost of electricity and gas after the purchase of a Residential 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 an optimum efficiency at the lowest cost.

## IX. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

May 27, 2026

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

Re: **Bellrose Condominium**

Gentlepeople:

The Sponsor of the Condominium Offering Plan for the captioned property has retained this office to review the percentage of Common Interest applied to the Units contained in Schedule A of the Offering Plan.

Our experience includes the preparation of numerous Condominium Offering Plans and legal representation of several Condominium Boards of Managers in the State of New York.

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

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

Very truly yours,

**MORITT HOCK & HAMROFF LLP**

By: _____
Anthony J. Ficara, Partner

## X. CHANGES IN PRICE AND UNITS

Sponsor will not make any material change in the size or adverse material change in the quality of Common Elements without the consent of all Residential Unit Owners. However, Sponsor reserves the right to change the model mix of the Residential Units without consent of any Residential Unit Owner as long as the percentage of Common Interest for the Residential Units is not affected, there is no Purchase Agreement in effect for said Residential Unit and as long as the Sponsor does not change the total number of Residential Units being offered for sale, nor the total number of buildings in the development, nor materially change the size of the Residential Unit. A decrease in a Unit's areas 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.

Sponsor will not make any material change in the Residential Units size, layout, percentage of Common Interest or in the amount or quality of Common Elements directly affecting or servicing the Residential Unit if a Purchase Agreement has been executed and delivered to Sponsor for that Residential Unit and the Purchaser is not in default, unless the Purchaser consents in writing to such change. A decrease in a Unit's areas 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.

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 Offering Plan, and, where applicable, to the Declaration.

Unless an affected Purchaser consents, no material change will be made in to 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 of same.

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

The prices for these Condominium interests may be changed from those set forth in this Offering Plan so that Purchasers may pay different prices for similar interests. No such change will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sales prices below the Offering Plan prices without filing an amendment to the Plan at any time during the offering where a reduction in sales prices does not constitute a general offering but is rather the result of an individually negotiated Unit purchase. All changes in prices which are an across the board increase or decrease affecting one (1) or more lines of Units or models, or is to be advertised or is a price increase for an individual Purchaser will be done by a duly filed amendment to the Offering Plan.

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

## XI. INTERIM LEASES

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

## XII. PROCEDURE TO PURCHASE

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

Sponsor will endeavor in good faith to sell the Units in the Condominium in a reasonably timely manner. However, Sponsor is retaining the unconditional right to rent rather than sell the Units upon consummation of the Plan. Because Sponsor is retaining the unconditional right to rent rather than sell the Units, this plan may result in the creation of a condominium in which a majority of the Units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Owner-occupants and non-resident owners may have inherent conflicts Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Units, there is no commitment to sell more Residential Units than the fifteen (15%) (6 Residential Units) percent necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium.Sponsor retains the risk of loss on the Unit until Purchaser either closes title or takes possession of the Unit. Purchasers should note that any person who takes possession of a Unit prior to closing assumes the risk of losses not covered by Condominium insurance.

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

Any person may accept Sponsor's offer to sell a Unit by entering into a Purchase Agreement with the Sponsor. The Agreement provides that the Purchaser will purchase from the Sponsor a designated Unit in the Bellrose Condominium as described in the Declaration creating such Condominium. A Purchaser will be afforded a minimum of three (3) business days to review the Offering Plan and all filed amendments prior to executing a Purchase Agreement. Any conflict between the Offering Plan and the Purchase Agreement shall be resolved in favor of the Offering Plan.

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

which will convey good and marketable title to the ownership of fee ownership in the Unit and such percentage of Common Interest in the Common Elements as is set forth on Schedule A, free and clear of all liens and encumbrances other than those set forth in Section XIII of the Offering Plan. The Purchase Agreement may be modified with the consent of Purchaser and Sponsor in a manner not inconsistent with law, subject to the terms of this Offering Plan. Sponsor must either return a fully executed Purchase Agreement within twenty (20) days to the Purchaser or reject the Purchase Agreement and refund the deposit monies. In the event the Sponsor does not act within said twenty (20) day period the Purchase Agreement will be deemed rejected by the Sponsor.

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

The risk of loss or damage to the Unit by fire or any other cause until the delivery of the deed is assumed by the Sponsor. In the event a substantial portion of the Unit or Condominium shall be destroyed or damaged prior to Closing, Seller shall be entitled to cancel this Purchase Agreement by written notice to Purchaser, together with a check in the amount of the Downpayment paid by Purchaser, with interest, if any; however, Purchaser will not receive a refund of any funds paid for Extras. The parties shall thereafter be released from any further liability hereunder. If any part of the Unit is damaged or destroyed by any casualty prior to Closing, Seller will have the option to restore the Unit to its previous condition as soon as reasonably possible. In the event Seller elects to restore the Unit, then the Closing Date and any other applicable date or deadline will be extended in a reasonable manner by Seller. Seller agrees to notify Purchaser of Seller's decision within ten (10) business days of the date of such casualty. In the event Seller elects not to restore the Unit, then this Purchase Agreement will terminate and Purchaser will receive a full refund of all monies paid to Seller. The parties shall thereafter be released from any further liability hereunder.

In the event Sponsor is unable to convey title to a Residential Unit twelve (12) months after the proposed date of delivery set forth in the Purchase Agreement a Purchaser shall have the option to cancel the Purchase Agreement and have the down

payment advanced by Purchaser returned to Purchaser, including all monies paid for upgrades and extras, regardless of whether the money has been expended in the commission of the work. Purchaser shall be obligated to notify the Sponsor in writing of its intent to exercise said option no later than thirty (30) days after the twelve (12) month period. Failure to so notify Sponsor shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement.

The Sponsor anticipates that the first closing of a Unit will occur by July 1, 2026. Purchasers will be offered a right of rescission if: (i) the actual date of closing of tile to the first Unit; or (ii) the projected date of closing of title to the first Unit occurs later than June 30, 2027, 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 twelve months beyond that amended, later date.

However, if the first closing occurs before June 30, 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 timeframe or to ensure that closing of tile to your Unit will occur by any date certain. PROSPECTIVE PURCHASERS SHOULD THEREFOR CAREFULLY CONSIDER SUCH RISKS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT.

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

Sponsor must make a written demand for payment after default at least thirty (30) days before forfeiture of the deposit may be declared. Time is of the essence for a Purchaser to cure a default within such thirty (30) day period.

The Purchase Agreement may not be assigned by Purchaser without the written consent of Sponsor.

Purchasers should note that if a Purchaser fails to appear and close title in accordance with this Purchase Agreement on the date and at the time and place stated in Seller's Notice for Closing, or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under this Purchase Agreement, Seller may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default, **time being of the essence.** See Paragraph 21 of the Purchase Agreement in Part II of the Offering Plan.

The Purchase Agreement may not contain, or be modified to contain, a provision waiving purchaser's rights or abrogating Sponsor's obligations under the Offering Plan or

under Article 23-A of the General Business Law. Any conflict between the Purchase Agreement and the Plan will be resolved in favor of the Plan. The Purchase Agreement and Plan comply with Section 71.a(3) of the New York Lien Law. Said statute provides that the initial advance of the Purchase Agreement be deposited in an escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in New York State. The escrow and trust fund provisions disclosed below complies with said statute.

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

A complete copy of the Purchase Agreement is contained in Part II of the Plan. Any conflict between the Plan and the Purchase Agreement will be resolved according to the terms of the Plan.

## ESCROW AND TRUST FUND PROVISIONS

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

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Offering Plan or in a Purchase Agreement. Purchasers shall not be obligated to pay any legal or other expense of the Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

### The Escrow Agent:

The law firm of Moritt Hock & Hamroff LLP, the Escrow Agent, whose address is 1407 Broadway, 39th Floor, New York, NY 10018, and whose telephone number is 212-239-2000. The Escrow Account will be opened at Metropolitan Commercial Bank, located

at 1359 Broadway, New York, NY 10018 ("Bank"), telephone: (212) 643-6981. The signatories on this account authorized to withdraw funds include the following Partners of MHH: Anthony J. Ficara, Esq., Ted A. Berkowitz, Esq., Gary C. Hisiger, Esq. and Michael Cardello III. All designated signatories are admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing..

**The Escrow Account**:

The name of the account is “Moritt Hock & Hamroff LLP, Attorney Escrow Account IOLA, Condominium Escrow Account” (“Escrow Account”). The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured. If Purchasers have accounts at the same bank as Sponsor’s account that holds escrowed funds, Purchaser funds at the escrow bank factor into the $250,000 insurance limit. No fees of any kind may be deducted from the account principal or any interest earned thereon. Sponsor shall bear any administrative cost for maintenance of the account.

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

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

The Escrow Account will be Interest-On-Lawyer-Account (“IOLA”). Pursuant to Judiciary Law, Section 497, all interest earned on the IOLA account will be paid to the State of New York.

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

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

**Notification to Purchaser**:

Within five (5) business days after the Purchase Agreement has been tendered to Escrow Agent along with the Deposit, the Escrow Agent shall sign the Purchase Agreement and place the Deposit into the Escrow Account. Within ten (10) business days after the escrow agreement is signed by all necessary parties, 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 the Purchase Agreement.

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

Purchasers should note that the deposit of a Purchaser's down payment into the Escrow Account shall not be deemed acceptance by the Sponsor of the Purchase Agreement. The Purchase Agreement shall be deemed accepted by the Sponsor only when countersigned by the Sponsor.

**Release of Funds**:

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

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

The Escrow Agent shall release the Deposit if so directed:

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

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

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

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

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

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

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

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

**Waiver Void**:

Any provision in the Purchase Agreement, Escrow 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.

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.

Purchasers should note that it shall be an express condition of closing of title that the Purchaser sign the form contained in Part II which will enable the Escrow Agent to release the escrow funds, if not previously released as provided above.

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

A copy of the Escrow Agreement between the Sponsor and the Escrow Agent which incorporates the terms of the Attorney General's regulations is contained in Part II of the Plan as Schedule L. The Escrow Agent shall maintain all records concerning the escrow account for seven (7) years after release of the funds. Upon the dissolution of the law firm which was the escrow agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of the Escrow Account records by one of them or by the successor firm and shall notify the Department of Law of such transfer.

Before escrow funds are transferred to a new escrow account, or if the Escrow Agent is replaced, the Plan shall be amended to provide the same full disclosure with respect to the new escrow account, the new Escrow Agent and Escrow Agreement, as was originally provided.

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.

Escrow Agent shall only be discharged from Escrow Agent's obligations when escrow funds have been released pursuant to the above stated Escrow regulations. Escrow Agent may represent the Sponsor in a lawsuit. Sponsor shall not compensate the depository bank. There is no provision for payments by the Sponsor under an indemnity in favor of the Escrow Agent. Sponsor may compensate the Escrow Agent for acting as such.

Purchasers should note that as of February 28, 2026 the FinCEN's residential real estate Geographic Targeting Orders ("GTO") has expired, however, pursuant to a recent court decision, the FinCEN reporting is expected to be renewed. The Corporate Transparency Act ("CTA") and its implementing regulations issued by the Financial Crime

Enforcement Network impose certain beneficial ownership reporting requirements on entities. The scope, interpretation, and enforcement of the CTA are currently subject to ongoing legal proceedings and regulatory development and may be modified. However, since March 1, 2026, a new permanent nationwide Residential Real Estate Rule (RRE Rule) mandates that specialized legal entities and trusts report to FinCEN on non-financed, cash residential real estate transfers. Due to the above, it is recommended that Purchasers inquire as to any update in the reporting requirements prior to purchasing. See Section XI of the Offering Plan.

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

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

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

Smoking is PROHIBITED within individual Units and on the terraces, balconies, patios and yards attached to individual Units. Any Unit Owner who sells, leases, or subleases its Unit must include a copy of this Smoking Policy in the contract of sale, lease or sublease.

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

## XIII. FINANCING FOR QUALIFIED PURCHASERS

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

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

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

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

## XIV. EFFECTIVE DATE OF THE PLAN

Sponsor's offer to sell the Units is contingent upon the Plan being declared effective and no closing to a Unit will be held until the Plan is declared effective. This Offering Plan will not become effective until bona fide Purchasers, including investors, have executed Purchase Agreements which have been accepted by Sponsor for at least fifteen (15%) percent in number of the Residential Units offered under the Plan (40 x 15% = 6 Residential Units). The Sponsor will declare the Plan effective by personal service of notice on every Purchaser or commencement of service by mail, stating that the Plan has been declared effective. Within five (5) business days of service of the effectiveness notice, Sponsor will submit for filing an amendment to the Plan confirming that the Plan was declared effective on a specified date, and will file an affidavit of service of the notice on all Purchasers. Sponsor will not close title to the first Residential Unit until the amendment disclosing the effectiveness of the Condominium has been accepted for filing by the Attorney General. The Plan will not be declared effective based on Purchase Agreements:

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

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

(iii) with any Purchaser who is the Sponsor, 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 bonafide.

Further, prior to declaring the Plan effective, the Sponsor has the option not to close title to the Units and to abandon the Plan at any time, if less than eighty (80%) percent in number of the Residential Units offered hereby are sold and title to any Residential Unit has not been conveyed (40 x 80% = 32 Residential Units). In the event Sponsor exercises such option, it shall forthwith return to the Purchaser all monies paid with interest, if any, within five (5) days of acceptance of an amendment abandoning the Plan. When Purchase Agreements for eighty (80%) percent of the Residential Units have been entered into, the Sponsor must declare the Plan effective.

Notwithstanding the fact that not all Purchasers used for purposes of declaring the Plan effective may actually close, the Sponsor will re-declare the Plan effective if all

Purchase Agreements are either rescinded or terminated prior to the date of first Unit Closing, regardless of whether the Condominium Declaration has been recorded.

Once the Plan has been declared effective, it may not be abandoned except for (i) a defect in title which cannot be cured for less than one-half percent (½%) of the total amount of the offering or (ii) substantial damage or destruction of a Building by fire or other casualty which cannot be cured for less than one-half percent (½%) of the total offering, or (iii) the taking of any material portion of the property by condemnation or eminent domain. Any stated dollar amount relied upon as basis for abandonment after effectiveness will exclude all attorneys' fees as well as any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record. In the event Sponsor abandons the Plan, it shall do so by means of a filed amendment to the Plan. All monies advanced by Purchasers will be returned to them within five (5) days of the abandonment of the Plan. If Sponsor decides to abandon the Plan before declaring the Plan effective, Sponsor will file an amendment disclosing such abandonment and file a RS-3 Form with the Department of Law.

Sponsor expects the first closing of a Residential Unit to occur on or about July 1, 2026. If such date is delayed 12 months or more, unless revised by a duly filed amendment, accepted by the NYS Dept. of Law, Purchasers will be offered rescission.

## XV. TERMS OF SALE

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

Such notice will be served no less than thirty (30) days before the date set for the closing of the Units. Sponsor shall permit Purchasers to waive the thirty (30) day provision by a written waiver. A form for such waiver is contained as Schedule D-3 to the Offering Plan. Said notice will also include notice of the obligation to pay the balance of the purchase price. On the closing date, fee title to the Unit will be conveyed to the Purchaser together with the Unit's undivided interest in the Common Elements. The closing of title to the first Residential Unit is expected to commence on or about July 1, 2026. Such closing, however, will only take place after or simultaneously with the happening of the following events:

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

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

3. As of January 2026, Sponsor reports that Construction is set at 80% complete. An estimated completion date of May 2026 followed by signoff. The issuance of a permanent or temporary Certificate of Occupancy to the Residential Unit or Building in which the Residential Unit is located and any other necessary permits.

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

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

5. Purchasers are free to obtain title insurance from any title company authorized to do business in the State of New York without incurring any additional fees or penalty from Sponsor. If so requested by the Purchaser, Metropolitan Abstract, LLC ("Metropolitan"), a title company authorized to do business in the State of New York, 100 Jericho Quadrangle, Suite 134, Jericho, NY 11753, shall agree to insure that such Purchaser has good and marketable fee title in the Unit, free and clear of all liens, encumbrances and title exceptions, except those set forth below, and subject to the provisions of the Declaration and By-Laws and any mortgage executed by the Purchaser and that the Condominium was validly formed pursuant to Article 9-B of the Real Property Law. Purchasers are free to obtain title insurance from any title company authorized to do business in the State of New York without incurring any additional fees or penalty from Sponsor.

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

7. The Declaration, By-Laws, floor plans and engineers and tax authority certification required by Section 339-p of Article 9-B of the Real Property Law of the State of New York shall be recorded or filed as required by law in the New York City Registers Office, Brooklyn County.

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

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

10. The filing of an amendment to the Offering Plan disclosing that the Plan has been declared effective and that the terms of this Section will be met, that the Residential Units to be closed have been constructed in accordance with the plans filed with the Building Department of the City of New York and that the Sponsor has complied with the requirements of this Section.

11. Purchaser shall receive any manufacturers' warranty certificates with respect to equipment and appliances installed in the Residential Unit and

Sponsor shall assign any warranties with respect to equipment and appliances installed in Common Elements to the Board of Managers.

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

Title to the Unit and its appurtenant interest in the Common Elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those permitted below and/or described in the proposed Unit deed. Title to the Units will be subject to the following:

1. State of facts of the property as shown on a survey to be made prior to the closing of title provided such facts would not render title unmarketable and any state of facts which an accurate survey of the building would show provided such state of facts would not render title unmarketable.

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

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

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

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

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

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

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

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

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

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

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

All personal property located within a Unit on the date the Purchase Agreement is signed, or located within the Common Elements on the date the declaration is filed, which is owned by the Sponsor or owner of the Property, is included in the conveyance unless specifically excluded in the Offering Plan. As such, Sponsor specifically excludes all personal property located within the Units or within the Common Elements, which is not described in the Offering Plan as being included in a Unit or the Common Elements and which is not intended to be subject to this offering.

Purchasers should note that as of February 28, 2026 the FinCEN's residential real estate Geographic Targeting Orders ("GTO") has expired, however, pursuant to a recent court decision, the FinCEN reporting is expected to be renewed. The Corporate Transparency Act ("CTA") and its implementing regulations issued by the Financial Crime Enforcement Network impose certain beneficial ownership reporting requirements on entities. The scope, interpretation, and enforcement of the CTA are currently subject to ongoing legal proceedings and regulatory development and may be modified. However, since March 1, 2026, a new permanent nationwide Residential Real Estate Rule (RRE Rule) mandates that specialized legal entities and trusts report to FinCEN on non-financed, cash residential real estate transfers. Due to the above, it is recommended that Purchasers inquire as to any update in the reporting requirements prior to purchasing. See Section XI of the Offering Plan.

## XVI. CLOSING COSTS AND ADJUSTMENTS

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

1. Fee title insurance at the estimated rates of $5.81 per thousand for the first $50,000 of fee title insurance, approximately $4.74 for each additional $1,000 of insurance up to $100,000 and approximately $3.80 per thousand for each additional $1,000 up to $500,000 plus six (6%) percent.

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

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

   Purchasers are free to obtain title insurance from any title company authorized to do business in the State of New York without incurring any additional fees or penalty from Sponsor. Sponsor, however, makes no representation or warranty as to cost, terms or availability of such other title insurance.

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

4. In the event the Purchaser shall obtain a purchase money first mortgage, Purchaser shall pay recording fees for the mortgage of approximately $100. For first mortgages in an amount less than $500,000, Purchaser shall pay mortgage tax of 2.05% of the amount of the mortgage less $25 and for first mortgages in an amount in excess of $500,000; Purchaser shall pay mortgage tax of 2.175% of the amount of the mortgage less $25. In addition, the Purchaser will be required to pay the lending institution's attorney's fees, any mortgage origination fees, bank credit and appraisal fees and other expenses that the lending institution may charge incident to the making of the permanent loan. If applicable, a portion of the mortgage recording tax set forth above will be computed in accordance with Section 339-ee subsection 2, of the New York Condominium Act, and shall be paid to the Sponsor in reimbursement of mortgage recording taxes, which the

Sponsor may have previously paid in connection with the existing mortgage on the Condominium. There will be no mortgage closing costs pursuant to this paragraph 4 on Residential Units, which are not covered by mortgages.

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

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

   The steps to compute the tax are:

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

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

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

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

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

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

EXAMPLE: Purchase Price = $1,125,000.00 (Unit 3D)

(a) $1,125,000 x .004 = $4,500.00 = tentative NYSTT
(b) $1,125,000 x .01425 = $16,031.3 = tentative NYCRPTT
(c) $1,125,000 + $16,031.25 = $1,141,031= Purchase Price for NYSTT
(d) $1,125,000 + $4,500 + $16,031 = $1,145,531 = Purchaser Price for NYCRPTT
(e) $1,141,031 x .004 = $4,564= amount due for NYSTT
(f) $1,145,531 x .01425 = $16,323 = amount due for NYCRPTT

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

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

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

• The conveyance of residential real property where the consideration for the entire conveyance is $3 million or more.
• The conveyance of real property other than residential real property where the consideration for the entire conveyance is $2 million or more.

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

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

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

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

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

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

As an example, a Purchaser of a Residential Unit (3D) in which the purchase price is $1,125,000 and who procures a first mortgage in the amount of $900,000 will pay the following approximated closing costs:

| | |
|---|---|
| Fee Title Insurance: | $ 4,716 |
| Mortgage Insurance: | $ 978 |
| Deed Recording Fee: | $ 235 |
| Power of Attorney Recording Fee: | $ 100 |
| Mortgage Recording Fees: | $ 225 |
| §339-ee Affidavit Recording Fee: | $ 50 |
| New York State Transfer Tax: | $ 4,500 |

| | |
|---|---|
| New York City Transfer Tax: | $ 16,031 |
| Mortgage Tax: | $ 17,295 |
| State Mansion Tax | $11,250 |
| Condominium Working Capital: | $ 1,010 |
| Pro-Rata Insurance | $ 889 |
| Sponsor Attorney Fees for Preparation of Deed, Power of Attorney and other Closing Documents: | $ 2,500 |
| TOTAL | $48,529 |

In addition, if a closing takes place, at the request of Purchaser, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney a travel fee in the sum of $250. Furthermore, in the event the Sponsor's Attorney is required to prepare the New York City "ACRIS" transfer documents Purchaser shall be required to pay Sponsor's attorney an additional fee of $250. In the event the title company prepares the ACRIS, Purchaser shall pay the applicable fee of the title company.

In the event a closing is adjourned with Sponsor's consent, at the request of Purchaser or Purchaser's attorney within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Sponsor's attorney an adjournment fee in the sum of $500. In addition, Purchaser shall pay to Sponsor at or prior to the actual closing an amount equal to .0438% per day (which equals an annual rate of 16%, which is the maximum rate legally permitted) of the purchase price for the Unit for each day beyond such originally scheduled or Sponsor adjourned Closing Date, to and including the date of actual Closing, for reimbursement and defrayal of Sponsor's carrying costs and other charges. Notwithstanding the foregoing, Sponsor will not charge Purchaser a rate of interest which would exceed New York State usury laws.

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

Purchaser shall also pay, or reimburse to Sponsor, if Sponsor has already made payment, the following charges: (a) inspections and (b) appraisals.

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

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

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

## XVII. RIGHTS AND OBLIGATIONS OF THE SPONSOR

No bond or other security has been furnished to secure performance of the following obligations. All obligations pertaining to the Common Elements shall be enforceable only by the Board of Managers on behalf of the Unit Owners and not by the individual Unit Owners. During the time the principals of the Sponsor control the Board, it is within their sole power to enforce the obligations of the Sponsor pertaining to the Common Elements. Notwithstanding the above, the Board of Managers has a fiduciary duty to the Condominium, even during the control period. All amenities included in the Condominium will be fully operational at the time of the first closing. The following shall pertain to the Sponsor:

1. Sponsor will endeavor in good faith to sell the Units in the Condominium in a reasonably timely manner. Notwithstanding, Sponsor retains the unconditional right to rent rather than sell the Units after consummation of the Plan. Because Sponsor is retaining the unconditional right to rent rather than sell Units, this Plan may result in the creation of a condominium in which a majority of the Units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Owner-occupants and non-resident owners may have inherent conflicts. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent (6 Residential Units) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium.

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

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

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

5. The Sponsor is obligated to repair any damage from a casualty or other cause that occurs before the closing of a Purchaser's Unit.

6. Sponsor will initially procure fire and casualty insurance for the Condominium on the terms set forth in the budget and will collect a pro-rata share of said insurance from a Purchaser at each closing based on the Unit's percentage of common interest. Notwithstanding, in the event the amount of insurance increases or additional funds are required to pay for such insurance, Sponsor will have the option to lend the Condominium such funds and Sponsor will be repaid out of subsequent Common Charges collected. No Board or Unit Owner approval is required to make such loan. In the event there is an increase in the insurance premium, the budget will be increased to reflect such change.

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

8. Sponsor has obtained construction financing (the "Construction Loan") from Preferred Bank (Construction Lender"), with an office located at 2 Pennsylvania Plaza Suite 24C, New York, NY 10121, which has enabled Sponsor to construct the Development which has enabled Sponsor to construct the Development. The Sponsor will be obligated to pay off and otherwise comply with the terms of the Construction Loan on the entire Condominium. After the recording of the Declaration and before the closing of title to the first Unit, any Construction Loan mortgage will be satisfied, or released, or subdivided, extended and consolidated with the individual permanent mortgages, which will be placed on the Units of those Purchasers obtaining a mortgage. In addition, before the closing of title to the first Unit, all liens and mortgages affecting the Condominium shall be paid and satisfied or the Unit being conveyed and its appurtenant Common Interest shall be released therefrom by partial release duly recorded. In order to obtain partial releases, the Construction Lender will require that the Sponsor pay a release price on the sale of each Unit, until the loan is repaid in full. Therefore, there will be no resulting costs from Sponsor's construction loan added to Purchaser's individual mortgage. The terms of the Construction Loan contemplate the project as a "for-sale" condominium project.

9. The Sponsor will diligently, expeditiously and at its own cost, complete construction of the Condominium in accordance with the plans and specifications described in the architects and/or engineers property description report(s) contained herein and will diligently perform all of its obligations set forth in this Offering Plan and will deliver to the Board of Managers a copy of the "as built" plans filed with the recording of the Declaration or any amendment thereto and in addition will provide the Board with a full set of building plans filed with the local Municipality together with any "field changes" made during the course of construction. A decrease in a Unit's areas 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. Furthermore, Purchasers should note that the Sponsor reserves the right to select the ultimate location of kitchen and bathroom cabinets, which may differ from the locations, set forth on the floor plans. In the event an affected Unit is under contract, Sponsor shall first obtain consent from the Purchaser of said Unit. Although the Sponsor intends to use the materials, fixtures, appliances and equipment described herein and in the building plans, the Sponsor reserves the right to substitute materials, fixtures, appliances and equipment of Equal or Better Quality or design for any of those set forth. The substitution of materials, fixtures, appliances and equipment will be disclosed in an amendment to the Offering Plan. Sponsor reserves the right to change the size, number and location of the improvements or Common Elements, provided such changes do not change or adversely affect the percentage of Common Interest of any Residential Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect unless all affected Residential Unit Owners and Purchasers consent in writing to such a change.

10. Sponsor further reserves the right to determine the ultimate Residential Unit type mix to be constructed at a Building; determine the location of electric, gas and water meters, electric transformers, air conditioning compressors, speed bumps, mailboxes; and make any other changes required by the City of New York.

11. The building has an anticipated completion of April, 2026.

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

13. The acceptance of a deed by a Purchaser will be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of this Plan) and in General Business Law Section 352-e to survive delivery of the deed. The Purchaser of a Residential Unit will inspect such Residential Unit prior to the Closing Date and will execute at such time an inspection statement acknowledging Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan, provided that if Purchaser finds that Sponsor's improvements have not been completed as described in the Plan then Sponsor and the Purchaser in question will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Residential Unit by Sponsor as provided in the Purchase Agreement. Sponsor will have no obligation to complete any work, which is not specifically designated by the Purchaser on the inspection statement. A Purchaser will receive prior notice that a Residential Unit is available for inspection pursuant to this Paragraph, as more particularly set forth in the Purchase Agreement in Part II of the Plan. A Purchaser who fails to inspect such Residential Unit will be deemed to have accepted the Residential Unit in good condition and in accordance with the terms of the Plan. After closing of title to each Residential Unit the Purchaser thereof must comply with the procedures established by the Managing Agent or the Board of Managers regarding such Purchaser's move into the Residential Unit. Purchasers will be required to utilize licensed professional movers when moving in and out of the Building. Said movers must carry all-risk general liability insurance in a minimum amount of $1,000,000 per occurrence and name the Board of Managers of the Condominium as additional insured. A copy of said policy must be tendered to the Board a minimum of three (3) business days prior to the scheduled move date.

14. Regarding the Common Elements of the Condominium the Sponsor will correct any defects in the construction of the Common Elements, or in the installation or operation of any mechanical equipment therein, due to improper workmanship or material materially at variance with this Offering Plan provided and on condition that Sponsor is notified of or becomes aware of such defect(s) within twelve (12) months from the date of the closing of the first Residential Unit. The quality of construction shall be comparable to local standards customary in the particular trade and in accordance with the plans and specifications. In no event will Sponsor be responsible for any condition resulting from (i) normal wear and tear or natural deterioration or from the normal movement, settlement and/or shrinkage of the Building and/or Building materials; (ii) defects of an immaterial nature, such as, without limitation, partial or total loss of any trees, shrubs, bushes or other

landscape improvements that may abut the Building, nail pops, protruding dry wall fastenings, ridging on gypsum board, lumber shrinkage, door or window sticking, door warpage including, without limitation, warpage of the main entrance door within reasonable tolerances of doors of similar size and weight, scratches in plastic laminate, vitreous china, natural stone, wood, stainless steel or porcelain surfaces; bathroom finish grouting; adjustment of doors; walls not square; electrical plates not straight; discoloration or shrinkage; slight separation between base and floors; (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in roof ballast, or concrete cracks which do not reduce the structural integrity of the Building; (iv) minor deviations in the level of ceilings, and imperfections in ceiling finishes; (v) imperfections in painting finishes; (vi) deviations in the level of a floor or failure of finished floors and walls to be straight or on plane or at less than ninety (90º) degrees from each other; (vii) alignment of bathroom finishes and variation in grouting thickness; (viii) air infiltration and water infiltration from windows in accordance with customary practice and professional standards; (ix) noise from normal plumbing, and HVAC system; (x) normal floor noises and creaking; (xi) carpet or floor discoloring or stretching; (xii) minor scratches and imperfections or immaterial variations in width, length, thickness, finish or color range of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood; (xiii) repair of chips, scratches, mars, breaks, dents, cracks or other defects in: exterior stone; windows, window glass, frames and hardware; swinging doors, frames, door glass and hardware; louvers; shower doors; lighting fixtures, lenses, baffles and globes; all painted surfaces; all sinks, tubs, basins, water closets; kitchen cabinets, back splashes and countertops; vanity tops and cabinets; all tile or natural stone floors and walls; saddles; all appliances; woodwork, millwork and doors; mirrors and after the Residential Unit Closing, paint touch-ups, repair of dented appliances, or replacement of light bulbs; (xiv) cracks or immaterial variations in tone or color of natural stone or immaterial variations in tone or color of vanity tops or immaterial variations in veining or any other natural stone surfaces; (xv) leaching or immaterial variation in color mortar and colored brick, and immaterial dimensional variations in brick joints, and mortar droppings on bricks; (xvi) ponding and/or controlled drainage on the roof surface; (xvii) cracks in pressure-treated lumber used or intended for use outside the Building; (xviii) cracks or discoloration in concrete and/or paving; (xix) discoloration to hardware and plumbing finishes; (xx) stains, runs, lumps, shags or imperfections in weave in fabric panels; (xxi) scratched, dirty or cracked lenses in light fixtures; or (xxii) terrace tiles not laid flat, or color variation in tiles or mortar, or stained tiles; (xxiii) subsequent to the Residential Unit Closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, or (xxiv) salting or color variation in exterior colored mortar and deep colored brick. Sponsor will be obligated to repair only abnormally chipped stone, formica and

porcelain surfaces, which repair will be made by filling the stone, formica, or refinishing the porcelain, but Sponsor will not be obligated to replace such stone, formica or porcelain surfaces. THE ITEMS AND CONDITIONS DESCRIBED IN THIS PARAGRAPH ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING. PURCHASERS WHO PURCHASE A RESIDENTIAL UNIT IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR RESIDENTIAL UNIT, THE COMMON ELEMENTS OR ELSEWHERE IN THE BUILDING. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF THESE ITEMS AND CONDITIONS AND WILL NOT BE LIABLE TO ANY PURCHASER OR THE BOARD THEREOF. IF PURCHASERS OR ANY BOARD DESIRES TO CORRECT OR REPAIR ANY OF THESE ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THEY WILL HAVE TO PROCEED AT THEIR SOLE COST AND EXPENSE BY THEMSELVES AND/OR UNDER ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO THEM BY SPONSOR.

The Sponsor has no obligation to make any repair to the Common Elements except as expressly set forth in the Offering Plan.

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of (i) any immaterial variations from the Plans and Specifications or the description of any portion of the Building or a Residential Unit set forth in the Plan or (ii) immaterial variations from the Plans and Specifications or the description of any portion of the Building or a Residential Unit set forth in the Plan which are neither in violation of applicable building codes, nor require the approval of any governmental authority having jurisdiction, provided such immaterial variations are of Equal or Better Quality than as set forth in the Plans and Specifications or description in this Plan. Any such variation affecting the Property, which is material, will be disclosed in a duly filed amendment to the Plan. Notwithstanding the above, 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.

Furthermore, Sponsor’s obligation, regardless of any limitation in the warranty, cannot go below the duty to construct the premises in accordance with all applicable codes and locally accepted building practices for items, which are not covered by codes.

All personal property located within the Residential Unit on the date the Purchase Agreement is executed or that is located within the Common

Elements on the date the Declaration is filed, that is owned by the Sponsor or other person or entity will be included in the conveyance to Purchaser of their Residential Unit or be a part of the Common Elements unless specifically excepted in the Plan, as same may be amended from time to time.

15. The Sponsor will deliver to the Purchaser and/or the Board of Managers upon the recording of the Declaration all manufacturers' and sub-contractors' heating, electrical, plumbing, roofing and appliance warranties and bonds relating to the Purchaser's Unit or the Common Elements respectively, if any, to the extent made by such manufacturers and subcontractors and to the extent such warranties and bonds are assignable.

16. The Sponsor will pay all contractors, subcontractors and material men and all others involved in the construction of the Condominium for work performed and fixtures, material and equipment supplied or installed in the construction of the Condominium and will cause all mechanics' liens arising out of the construction of the Condominium or the furnishing or installation of fixtures or equipment, to be discharged or bonded promptly after the liens are filed.

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

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

18. The Sponsor reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Elements of the Condominium for the purpose of completing its construction and sale of the Units and facilities in the Condominium and, towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, and other utilities and for any other materials or services necessary for the completion of the work. Sponsor also reserves the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the Common Elements. Sponsor will be obligated to pay for the cost of any utilities it uses as a result of its use of the easements, licenses, rights and privileges of a right-of-way. Finally, the Sponsor reserves the right to continue to use the Common Elements

and any facilities, sales offices, model units and signs located on the Common Elements, in its efforts to market the Units in the Condominium. Sponsor will be obligated to repair any damage to the Common Elements and Units caused as a result of its use of the easements, licenses, rights and privileges of a right-of-way to complete the construction of the Condominium. Sponsor's use of the easements, licenses, rights and privileges of a right-of way to complete the Condominium will not preclude a Unit Owner from using its Unit as a single-family residence.

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

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

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

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

obligation, regardless of any limitation in the Limited Warranty, cannot go below the duty to construct the premises in accordance with all applicable codes and locally accepted building practices for items, which are not covered by codes. General Business Law §777-b(4)(e)(i). The Limited Warranty provides the following coverages for the Residential Units.

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

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

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

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

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

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

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

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

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

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

As permitted under the New York State Housing Merchant Implied Warranty Law, Article 36-B of the General Business Law, the Sponsor excludes the specific warranties set forth in Article 36-B of the General Business Law, and all other warranties, express or implied, and instead is providing each Purchaser with the Limited Warranty. See the complete terms of the Limited

Warranty contained in the Rider to the Purchase Agreement set forth in Exhibit D-1 and Article 36-B of the General Business Law set forth in Schedule M.

To the extent any coverage under this warranty applies to Common Elements of the Condominium, such coverage shall be deemed given to the Board of Managers of the Condominium.

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

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

Unless all Purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of Common Elements. Sponsor is obligated to build in accordance with the plans and

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

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of (i) any non-material variations from the Plans and Specifications or the description of any portion of the Building or a Residential Unit set forth in the Plan or (ii) minor variations from the Plans and Specifications or the description of any portion of the Building or a Residential Unit set forth in the Plan which are neither in violation of applicable building codes, nor require the approval of any governmental authority having jurisdiction, provided such minor variations are of substantially similar or better quality than as set forth in the Plans and Specifications or description in this Plan. Any such variation affecting the Property, which is material, will be disclosed in a duly filed amendment to the Plan.

Notwithstanding the above, 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.

Furthermore, Sponsor's obligation, regardless of any limitations in the warranty or in this Offering Plan, Sponsor's obligation cannot go below the duty to construct the premises in accordance with all applicable codes, filed plans and specifications, as same may be amended and locally accepted building practices for items, which are not covered by codes. Any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter.

The Condominium will be built in accordance with the building plans and specifications identified in the Plan. Local Law 11/98 is not applicable because the building will be less than 6 stories.

All personal property located within the Residential Unit on the date the Purchase Agreement is executed or that is located within the Common Elements on the date the Declaration is filed, that is owned by the Sponsor or other person or entity will be included in the conveyance to Purchaser of their Residential Unit or be a part of the Common Elements unless specifically excepted in the Plan, as same may be amended from time to time.

23. There will be a common storage room, which shall be divided into fifteen - (15) individual storage rooms (the "Storage Rooms"); each room shall be

sold by Sponsor pursuant to revocable license agreements ("Storage Room License Agreement"), on a first come first served basis. The Purchase price of each Storage Room License is listed in the Schedule following the Footnote to Schedule A (Schedule A-1) in Part I of the Offering Plan. There shall also be a monthly fee for maintenance. Each purchaser of a Storage Room License shall be obligated to pay a fee to Sponsor's counsel, in the amount of $1,000, for the preparation of the Storage Room License Agreement. Purchasers should that note Storage Rooms may not be used to store any combustible or hazardous materials or other items that may be illegal or cause the Condominium insurance to be increased. Furthermore, Purchasers of Storage Room Licenses may only convey their Storage Rooms to current or future Residential Unit Owners. The Storage Rooms are part of the General Common Elements of the Condominium, which when licensed may be utilized in the same exclusive manner as a limited common element. The Storage Rooms are uninhabitable and may not be legally used as a bedroom/dining/living room and to do so may result in a building code violation. While Sponsor still retains unsold Storage Room licenses, the Sponsor shall be permitted to continue to sell or lease the Storage Room licenses and retain the proceeds from the sale or lease of same, even if Sponsor has sold all Units in the Condominium. All Unit Owners have the option to purchase a Storage Room License, on a first come first served basis. The Storage Rooms will be enclosed with full height rated gypsum drywalls enclosure with lockable fire-rated door. Each Storage Room will be built with full height iron-gate type of enclosure with lockable doors for security. The fire protection of the storage room is by the sprinkler systems. A copy of the Storage Room License Agreement is annexed hereto as Schedule D-6.

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

Sponsor 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 required by lenders. Such expenses shall not include individual unit owner expenses such as real estate taxes, utility charges, etc. Upon commencement of collection of Common Charges, there will not be an assessment for any item in the approved budget for the Condominium. Regardless of the delay in collection of Common Charges, Sponsor shall remain obligated to update the budget for the Condominium as required by Department of Law governing regulations. In the event Sponsor elects to delay the collection of Common Charges, Sponsor shall disclose such fact in the closing notice or statement to Purchasers. Thereafter, Sponsor shall also disclose such fact in the post-closing amendment to the Offering Plan as a benefit to subsequent purchasers. Such amendment shall also disclose the anticipated period of delay. Prior to commencing the collection of Common Charges, Sponsor will notify all unit owners by written notice of the expiration of the delay period. Notice shall be given to owners in writing at least thirty (30) days prior to the commencement of collection of Common Charges. Thereafter, Sponsor will disclose such fact in the next substantive amendment to the Offering Plan as a benefit to subsequent Purchasers.

Disclaimers or limitations of liability on the part of the sponsor or its principals for failure to perform any obligation imposed by applicable statute or regulation is not permitted.

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

## XVIII. CONTROL BY THE SPONSOR

The Sponsor has the right to maintain a majority of the Board of Managers of the Condominium for a period ending (i) five (5) years from date of the closing of the first Residential Unit, or (ii) one hundred and twenty (120) days after the closing of ninety-five (95%) percent of all Residential Units in the Condominium, whichever is later. Thereafter, the Sponsor shall retain the right to designate a minority of the Board of Managers until such time as Sponsor no longer owns a Unit. Notwithstanding said fact, Sponsor has the right to voluntarily relinquish a majority of the Members of the Board of Managers at any time. The By-Laws do not require a majority of the Board to be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. If there are non-Sponsor members of the Board, and there is a vote on whether to sue the Sponsor, the Sponsor's Board representatives cannot lawfully vote on that issue. Further, the Sponsor must enforce its obligations under the plan, as those obligations are described in the plan, and owes a duty to the condominium to do so. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed as a result of their different reasons for purchasing, i.e. purchasing a Residential Unit to live in as opposed to purchasing as an investment. Provisions which give the Sponsor control of the enforcement of the Sponsor's obligations are not lawful. The Board of Managers, whether or not controlled by the Sponsor, assumes a fiduciary duty to act in the best interests of the Condominium and its Unit Owners.

The initial Board of Managers will consist of three (3) Sponsor appointees. A meeting will be held to elect new Board Members unrelated to Sponsor within thirty (30) days of the expiration of the control period. As a result, the Sponsor will have voting control of the Board of Managers during this period. As a result of the fact that Sponsor may retain a majority of the Board of Managers for a period (i) five (5) years from date of the closing of the first Residential Unit, or (ii) one hundred and twenty (120) days after the closing of ninety-five (95%) percent of all Residential Units in the Condominium, whichever is later, Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Offering Plan. Purchasers should further note that the By-Laws do not contain any provision that provides that after the Sponsor relinquishes control of the Board a majority of the Board of Managers must be owner occupants who are unrelated to the Sponsor or its principals. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed as a result of their different reasons for purchasing, i.e. purchasing a Residential Unit to live in as opposed to purchasing as an investment.

The Sponsor will also, during this indeterminate period (Sponsor Control Period), have control of maintenance, facilities and services to be provided and will determine the Common Expenses to be paid by all Unit Owners, including Sponsor and the enforcement of the Sponsor's obligations through the Board of Managers. Purchasers individually or as a group may take legal or administrative action to enforce the Sponsor's obligations to the Condominium. However, they will be unable to do so in the name of the Condominium. In addition, funds utilized for such actions will either have to be obtained

by a special assessment of all Unit Owners excluding Sponsor, or obtained through independent funds of the Unit Owners. In the event the Unit Owners are unsuccessful in an action against Sponsor, Sponsor has the right to request that the court or administrative department hearing the action grant Sponsor reimbursement of legal fees, which would be payable by the Unit Owners, excluding the Sponsor. Any provisions that give the Sponsor control over the enforcement of the Sponsor's obligations are not lawful.

The first Board of Managers of the Condominium will consist of Valeriy Katayev and Daniel Kaykov, both of whom are Principals and business partners of Sponsor with a business address of 100 Jericho Quadrangle Suite 220, Jericho, NY 11753. The Sponsor shall retain the right to substitute other persons in the place of the above-named individuals until the resignation of the first Board as set forth below. The first Board of Managers will call for the first Annual Meeting of the Residential Unit Owners to elect and designate a new Board within one (1) year of the closing of the first Residential Unit; wherein Sponsor will designate two (2) Board Members and Unit Owners will elect one (1) Board Member until the end of the Sponsor Control Period.

The Sponsor has the right to maintain a majority of the Board of Managers of the Condominium for a period ending (i) five (5) years from date of the closing of the first Residential Unit, or (ii) one hundred and twenty (120) days after the closing of ninety-five (95%) percent of all Residential Units in the Condominium, whichever is later. Sponsor will continue to hold annual meetings during the period it controls the Board of Managers. Upon the election and designation of the new Board, the Members of the first Board will resign. Members of the Board of Managers shall not be compensated for their services. Members of the Board of Managers may be removed for cause by an affirmative vote of a majority of the Residential Unit Owners. Officers of the Condominium may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers.

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

than ten (10%) percent, or (ix) utilize condominium funds or assess the Sponsor for the purpose of commencing a lawsuit against the Sponsor or any of its principals. Notwithstanding the foregoing, if there are non-Sponsor members on the Board of Managers, and there is a vote on whether to sue the Sponsor, the Sponsor's board representatives cannot lawfully vote on that issue.

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

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

(i) to comply with applicable laws or regulations; or

(ii) to remedy any notice of violation; or

(iii) to remedy any work order by an insurer.

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

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

## XIX. BOARD OF MANAGERS

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

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

Board of Managers

The affairs of the Condominium shall be governed by a Board of Managers (the "Board"). Until the first annual meeting, the first Board shall consist of three (3) Members designated by the Sponsor. Thereafter the Board of Managers shall consist of a total of three (3) Members who shall be elected or designated for staggered terms. See Section XVI of the Offering Plan as to Sponsor's right to designate a majority of the Board of Managers for a period ending (i) five (5) years from date of the closing of the first Residential Unit, or (ii) one hundred and twenty (120) days after the closing of ninety -five (95%) percent of all Residential Units in the Condominium, whichever is later. Purchasers should further note that the By-Laws do not contain any provision that provides that after the Sponsor relinquishes control of the Board a majority of the Board of Managers must be owner occupants who are unrelated to the Sponsor or its principals.

The first Board of Managers of the Condominium will consist of Valeriy Katayev and Daniel Kaykov, both of whom are Principals and business partners of the Sponsor with a business address of 100 Jericho Quadrangle Suite 220, Jericho, NY 11753. Every Residential Unit Owner shall be entitled to cast one vote on each ballot for each Residential Unit owned. All representatives to the Board of Managers, other than designees or nominees of the Sponsor, shall be Residential Unit Owners. At the first annual meeting one (1) of the Members of the Board of Managers shall be elected for a three (3) year term, one (1) of the Members of the Board of Managers shall be elected for a two (2) year term and one (1) of the Members of the Board of Manager shall be elected for a one (1) year term. At the expiration of the initial term of office of each respective Member, the Member's successor shall be elected to serve a term of three (3) years. Elections are to be held annually.

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

It shall be the duty of the President to call a special meeting of the Condominium, if so directed by the Board of Managers, or upon the presentation to the Secretary of a petition signed by a majority of the Residential Unit Owners. The secretary shall cause a notice of such special meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed to each Residential Unit Owner of the Condominium entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The

date of the special meeting shall be determined by the Board of Managers and shall be held no later than sixty (60) days from receipt of any written request unless a later date is agreed to in writing by the Residential Unit Owners of the Condominium or the Board of Managers, requesting such meeting. No business other than that stated in such notice shall be transacted at such special meeting unless all Residential Unit Owners of the Condominium are present in person or by proxy. See Article II, Section 10 of the By-Laws of the Condominium.

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

Purchasers should further note that the By-Laws do not contain any provision that provides that after the Sponsor relinquishes control of the Board a majority of the Board of Managers must be owner occupants who are unrelated to the Sponsor or its principals. As such, Purchasers for their own occupancy may never gain control of the Board of Managers.

Removal of Members of the Board of Managers

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

Powers and Duties of Board of Managers

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Liability of Board of Managers and Residential Unit Owners

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

proportionate interest in the Common Elements bears to the total liability of the Member of the Board of Managers.

Indemnification of Board of Managers

The Unit Owners of the Condominium shall indemnify and hold harmless each of the Members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provision of the Declaration or of the By-Laws. It is intended that the Members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). In the event a Member of the Board of Managers acts in bad faith or contrary to the provisions of the Declaration or By-Laws, the individual Member may be personally liable.

Officers

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

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

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

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

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

The Treasurer shall disburse the funds of the Condominium.

The Treasurer shall keep detailed financial records and books of account of the Condominium, including a separate account for each Residential Unit which, among other things, shall contain the amount of each assessment of Common Charges against such

Residential Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

Repairs, Alterations and Improvements to Common Elements

All maintenance, repairs and replacements to the General Common Elements including but not limited to exterior walls of a Building, windows, roof and roof members, as well as all maintenance, repairs and replacements to any pipes, wires, conduits and public utility lines, any portion of which is located outside the Unit shall be made by the Board of Managers and the cost thereof shall be a Common Charge payable by all Unit Owners. The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements. All maintenance, repairs and replacements within and to the Residential Units, whether structural or nonstructural, ordinary or extraordinary, will be made by the respective Residential Unit Owners at their expense.

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

All repairs and maintenance to the Parking Space Units shall be the responsibility of the Parking Space Unit Owner.

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

The Board of Managers and their agents, employees and contractors shall have the right of access to any Unit for the purpose of making any repairs or replacements to any of the General Common Elements and Limited Common Elements contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or the General Common Elements or Limited Common Elements, or which would violate the provisions of any mortgage covering another Unit or

for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under this Offering Plan, the By-Laws or the Declaration of the Condominium. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

Restoration or Reconstruction After Fire or Other Casualty

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

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

Insurance

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

Amendments

A. The dedication of the property to Condominium ownership herein shall not be revoked or the property withdrawn from Condominium ownership unless eighty (80%) percent of the Unit Owners in number and in Common Interest and the first mortgagees, if any, of each of these same Units agree to such revocation or removal of the property from the Plan by duly recorded instruments.

B. The provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number held at a duly-called meeting of the Unit Owners, provided however, that:

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

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

3. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of, to or from this Declaration, the By-Laws or any rules and regulations shall be effective in any way against the Cabana licensee(s) unless the affected licensee has given its prior written consent thereto.

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

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

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

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

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

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

There shall be a presumption for a period of sixty (60) days subsequent to the recording of the amendment that the vote of the Unit Owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

In the event a mortgagee fails to submit a response to any written proposal for an amendment within 60 days after proper notice of the same was delivered by certified or registered mail, with a return receipt requested, said mortgagees consent to such amendment will be implied.

Units Acquired by the Board of Managers

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

Termination of Condominium

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

Covenant Against Partition of Common Elements

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

## XX. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS

Sale or Lease of Units

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

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

A Residential Unit Owner is free to make a gift of the Residential Unit Owner's Unit to anyone during the Unit Owner's lifetime or to devise the Unit by will, or to have it pass by intestacy without any restriction. Parking Space Unit Owners may only sell their Parking Space Units to current or future Residential Unit Owners. Parking Space Unit Owners may lease their Parking Space Units to current or future Residential Unit Owners or a tenant of a Residential Unit. The restrictions regarding the sale or lease of a Unit shall not pertain to the Sponsor.

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

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

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

of the plans of a Building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units as built or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Tenth, Section (c) of the Declaration of Condominium.

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

Reports to Unit Owners

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

Real Property Law Section 339-kk

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

Restrictions on Occupancy and Use

Occupancy of a Residential Unit may only be for residential purposes in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium. There is no other restriction upon ownership of a Unit, except that Parking Space Unit Owners may only sell their Parking Space Units to current or future Residential Unit Owners. Parking Space Unit Owners may lease their Parking Space Units to current or future Residential Unit Owners or a tenant of a Residential Unit

The Parking Space Units may only be utilized for the purpose of the parking of permitted automobiles. Parking Space Units may not be used for storage and may not be enclosed. A Purchaser may purchase more than one (1) Parking Space Unit. In the event a Purchaser purchases more than one (1) Parking Space Unit, there may not be enough Parking Space Units available for each Purchaser who desires to purchase one.

Purchasers should note, Parking Space Units 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 Parking Space Unit 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 Section III of the Offering Plan.

Parking Space Units designated as a handicapped Parking Space Unit (P15) will be the last Parking Space Unit sold if they have not previously been sold to a Purchaser who themselves or a member of their family has a vehicle with handicapped plates. The purchase of handicapped parking space and any subsequent sale or transfer of it is subject to the following covenants and restrictions in the deed:

In the event the present or future owner of a Unit in the condominium, or a member of his or her family residing in the Unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and said Unit Owner is not the owner of the handicapped parking space, said Unit Owner has the right to demand that the owner of a handicapped parking space trade the handicapped parking space he/she owns with said handicapped Unit Owner.

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

The owner of a handicapped parking space must comply with the aforementioned demand upon thirty (30) days written notice. If the parties cannot agree on the fair market value of the accessible Parking Space Unit then the parties agree to submit the matter to binding arbitration, wherein the arbitrator is an independent 3rd party, unrelated to any party in the dispute, in accordance with Article XIII of the By-Laws of the condominium.

The By-Laws of the Condominium contain the following use restrictions: No immoral, improper, offensive or unlawful use shall be made of the Condominium nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Unit Owners, their families, employees, guests, including Units owned by corporations, partnerships or fiduciaries; and guest of those Units, and any permitted pets shall not use or permit the use of the Units and Common Elements in any manner that would be illegal, disturbing or a nuisance

to other Unit Owners. No Unit Owner shall put any advertisement, poster, or signs, including for-sale signs of any kind in or on the Condominium without the consent of the Board of Managers. It is prohibited to hang garments, rugs, etc. from the windows, from a Building, or to string clotheslines on or over the Common Elements or to use any of the Common Elements for storage unless designated for such use. No Residential Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Residential Unit. All Residential Unit Owners must maintain their thermostat at a minimum of sixty (60º) degrees Fahrenheit to avoid pipes from freezing. Any Unit Owner failing to adhere to this provision shall be responsible for any and all damage to the Condominium or any other Unit as a result thereof. See Schedule J, Article VIII for complete details.

Restrictions on Pets

No animals shall be kept or harbored in the Condominium or any Residential Units except that each Residential Unit Owner may keep up to two (2) domestic dogs (under 40lbs each) or household cats; two (2) domestic birds and domestic fish. Fish tanks and/or aquariums shall not exceed one-hundred (100) gallons. No exceptions will be permitted unless the same in each instance be expressly permitted in writing by the Board of Managers of the Condominium. The Board of Managers may require the permanent removal of any animal kept in a Residential Unit that is not in compliance with the above as well as any animal causing or creating a nuisance or unreasonable disturbance or noise upon three (3) days written notice from the Board of Managers.

In no event shall any pet be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash. All Unit Owners shall be responsible for picking up and disposing of their pets' waste, for any damage caused by their pets to any Common Elements of the Condominium, and shall comply with the local and municipal rules and regulations regarding pets.

Smoking Policy

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

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

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

Smoking is PROHIBITED within individual Units and on the terraces, balconies, patios and yards attached to individual Units.

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

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

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

Mortgage of Residential Units by Residential Unit Owners

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

Common Charges Assessment and Collection

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

The charges assessed by the Board of Managers ("Common Charges"), in addition to the cost of repairing and maintaining the Common Elements, assessments and other normal operational costs, may include, in the discretion of the Board of Managers, reserves, working capital and other sums necessary to carry on the affairs of the Condominium. In addition, Common Charges may have to be increased as a result of Residential Unit Owners not paying their Common Charges.

The estimate of Condominium expenditures in Schedules A and B were made by the Sponsor and passed upon by Makon Management, LLC. Although the Sponsor is of the opinion that such estimates are accurate and reasonable, they are not intended and cannot be construed as an assurance of the actual expenses and are merely based upon information available at this time. Actual costs may be lesser or greater than as set forth herein.

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

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

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

Sponsor and/or the Board of Managers shall have the right to waive Unit Owners' obligations to pay Common Charges from and after the first Unit closing for a period to be determined by the Sponsor or the Board of Managers (the "Waiver Period"). The Waiver Period may be implemented provided that the basic operating costs of the Condominium, including, without limitation, insurance premiums and any reserves required by lenders (collectively, the "Operating Costs"), are paid by either:

(i) Sponsor ("Sponsor Paid Waiver Period"), or

(ii) all Unit Owners, including without limitation Sponsor with respect to Unsold Units, according to the allocation of Common Expenses, or any Special Allocation of Common Expenses, set forth in the Offering Plan ("Unit Owners Paid Waiver Period").

If the Sponsor or Board of Managers elects to waive payment of Common Charges, Sponsor shall disclose such waiver in a post-closing amendment to the Plan, which shall include (i) the expiration date of the Waiver Period, (ii) whether the Waiver Period shall be a Sponsor Paid Waiver Period or a Unit Owners Paid Waiver Period and Sponsor shall remain obligated to update the certified budget and provide audited/certified financial statements.

Purchasers are advised that the Operating Costs during the Waiver Period will likely vary from month to month and that certain seasons or periods may give rise to more or different costs than other seasons or periods (e.g. seasonal increases in heating and/or cooling costs, costs in the event of a needed repair to a Common Element, etc.). Depending on the occupancy level in the Building it is anticipated that the Operating Costs will increase as the occupancy level of the Building increases.

In the event the Sponsor or the Board of Managers thereafter elects to extend the Waiver Period, Sponsor shall (a) notify Unit Owners of such extension at least thirty (30) days prior to the previously disclosed expiration date of the Waiver Period and (b) amend the Plan to disclose the new expiration date of the Waiver Period. Sponsor shall additionally notify Unit Owners of the expiration of the Waiver Period at least thirty (30) days prior to such expiration.

Upon commencement of collection of Common Charges from all Unit Owners, there will not be a Special Assessment for any expense set forth in the approved budget for which Common Charges were not collected during the Waiver Period. The Board of Managers shall remain obligated to update the budget in accordance with the terms of the Plan. Purchasers should note that, during any Waiver Period (regardless whether the Sponsor Paid Waiver Period or the Unit Owners Paid Waiver Period), Unit Owners will remain responsible for (in addition to their proportionate share of Operating Costs, if applicable) all individual Unit expenses, including without limitation (as applicable) real estate taxes on the Unit, mortgage payments under a loan obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Board of Managers for payment to the utility company, the cost of any insurance which the Unit Owner obtains for the Unit and the cost of interior repairs and decorations to the Unit.

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

casualty insurance covering all Units (the cost of such insurance is part of the Common Charges) and reviews the amount of such coverage annually. See Schedule B Note 7.

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

Liens for the Non-Payment of Common Charges

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

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

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

During the period of time the Sponsor retains a majority of the seats of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges.

In the event a Unit Owner also owns a Parking Space Unit, all of the above provisions shall be applicable to the Parking Space Unit.

Repairs, Alterations and Improvements to the Units

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

Any application to any department of The City of New York or any other governmental authority for a permit to make an addition, alteration or improvement in or to any Residential Unit shall be completed by the Residential Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or material man on

account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The above provisions regarding changes to a Residential Unit shall not apply to Residential Units owned by the Sponsor or its designee until such Residential Units shall have been initially conveyed to a bona fide purchaser by the Sponsor or such designee.

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

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

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

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

Insurance

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

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

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

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

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by the Residential Unit Owners or of the invalidity arising from any acts of the insured or any Residential Unit Owners and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies.

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

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

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

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

Residential Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of

Managers shall not be affected or diminished by reason of any Residential Unit Owner's other insurance.

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

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

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

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

Access by Board of Managers

The Board of Managers and its agents, employees and contractors shall have a right of access to any Unit, with three (3) days' notice (where possible) and to all portions of the Common Elements for the purpose of carrying out any of its obligations under the Declaration and By-Laws. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

By-Laws and Rules and Regulations

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

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

Easements

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

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

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

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

Allocation of Common Interest

The Common Interest of the Condominium establishes the Unit Owners percentage of ownership in the Common Elements of the Condominium and percentage of liability for the payment of General Common Charges. Each Unit Owner has the percentage of Common Interest in the Condominium set forth on Schedule A.

The Common Interest of each Unit has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York. This percentage determines the amount that the Residential and Parking Space Unit Owners will pay for their Common Charges. The Percentage of Residential Common Interest and Percentage of Parking Space Unit Common Interest will determine the amount each individual Unit Owner will pay for their Common Charges.

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

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

## XXI. REAL ESTATE TAXES

In accordance with the New York State Condominium Act, real estate taxes applicable to each Unit will be separately assessed. After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owners will not be responsible for the payment, nor will the Unit be subject to any lien arising from the non-payment of real estate taxes on Units other than their own. The estimated monthly costs and charges to be incurred by the owner of each Unit in the first year in which the property will be fully subject to real estate taxes together with estimated Common Charges on each Unit and other carrying costs are set forth on Schedule A.

The Condominium is not eligible for 421-a tax benefits. Schedule A reflects the estimated taxes for the Residential Units. Real estate tax estimates are based upon current real estate tax assessment information from the New York City Department of Finance and an opinion letter dated March 17, 2025 from Highpoint Incentive Inc, 715 Virginia Street, Far Rockaway, NY 11691. As per Rules and Regulations set by the Department of Finance, multiple residential Class (A) units would be categorized as Tax Class (2), with a tax rate of 12.439% (i.e., 12.439 per $100 of assessed value), the 2026/2027 tax rate. The residential parking units will be categorized as Tax Class (4) with a tax rate of 10.848% (i.e., 10.848 per $100 of assessed value), the 2026/2027 tax rate, {although it is unlikely that the tax rate will remain as it is currently). The total assessed value and real estate tax liabilities will be approximately as follows.

Assuming the assessment rate for the first twelve (12) months of condominium operation using the 2026/2027 tax year for Tax Class (2) properties @ 45% of estimated value, then the estimated assessed value for the first twelve (12) months of condominium operation beginning July 1, 2026 through June 30, 2027 will be $4,615,644.

Assuming the tax rate for the first twelve (12) months of condominium operation, using the tax rate for the 2026/2027 tax year for Tax Class (2) properties remains 12.439% per $100 of assessed value, then the estimated tax for the first twelve (12) months after completion of construction, the first twelve (12) months of condominium operation beginning July 1, 2026 through June 30, 2027 will be $574,140.

**Estimated Residential Tax Schedule**
**Twelve (12) months – July 1, 2026 – June 30, 2027**

| Unit | | Square footage | Tax Assessment | Tax |
|---|---|---|---|---|
| | | 41,010 | $4,615.644 | $574,140 |

Assuming the assessment rate for the first twelve (12) months of condominium operation, using the 2026/2027 tax year for Tax Class (4) properties at 45% of estimated value, then the estimated assessed value for the first twelve (12) months after completion of construction, first twelve (12) months of condominium operation beginning July1, 2026 through June 30, 2027 will be $144,644.17.

Assuming the tax rate for the first twelve (12) months of condominium operation, using the tax rate for the 2026/2027 tax year for Tax Class (4) properties@ 10.848% per $100 of assessed value then the estimated tax for the first twelve (12) months after completion of construction, with the first twelve (12) months of condominium operation beginning July 1 2026 through June 30, 2027 will be $15,691,

**Estimated Parking Units Tax Schedule**
**Twelve (12) Months – July 1, 2026 through June 30, 2027**

| Unit | Square Footage | Assessed Valuation | Annual Tax |
|---|---|---|---|
| | 2754 | $144,644.17 | $15,691 |

Assessed valuations, when actually made, may be lesser or greater based on interpretation of the administrative code and the applicable rules and regulations of the City of New York. The estimates are not intended, and should not be construed as warranties as to future assessed valuations of the Property. In the event actual real estate taxes differ than from the estimates provided herein, Purchasers will not be offered rescission.

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

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

It is anticipated that the closing to the first Residential Unit will occur on or about July 1, 2026. In the event said date is delayed by twelve (12) months or more, Purchasers will be offered a right of rescission. The projected real estate taxes for the first year of operation contained in this Offering Plan 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.

Purchasers should note that the $10,000 per year tax deduction is for the combined New York State income taxes, New York City (or local) income taxes and real estate taxes. Accordingly, in the event the Unit Owner's combined New York State income taxes, New York City (or local) income taxes and real estate taxes exceed the $10,000

threshold, a Unit Owner may not be able to realize a deduction for amounts over the $10,000 threshold.

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

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

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

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

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

There are no tax certiorari proceedings currently pending for the property. The By-Laws empower the Board of Managers to bring such proceedings on behalf of the Unit Owners. See Article III, Section 6 of the By-Laws.

The Sponsor anticipates that the real estate tax rate will vary in future years rather than remain constant. The estimates of projected real estate taxes in this Offering Plan have been prepared by the Sponsor and cannot be construed as an assurance of the final tax costs, but are merely estimates based upon information available to the Sponsor at this time. Purchaser will not have the right to rescind his or her Purchase Agreement, in the event the amount of the taxes differ from those projected.

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

The Sponsor has been advised by its counsel, Moritt Hock & Hamroff LLP, that each Residential Unit Owner will be entitled under present law to a deduction for Federal, New York State and New York City income tax purposes for the real estate taxes paid by each Residential Unit Owner covering their Residential Unit, up to a maximum of $10,000 per year, and, provided the Residential Unit is used as the Residential Unit Owners primary residence or one (l) other residence that the Residential Unit Owner selects pursuant to Section 163(h) of the Internal Revenue code of 1986 and the Tax Cuts and Jobs Act of 2017, for the interest paid by the Residential Unit Owner on any mortgage covering the Residential Unit Owner's Residential Unit up to $750,000. See the Opinion of Counsel in Section XXI of the Offering Plan. Similarly, the Sponsor has been advised by counsel that certain Residential Unit Owners who are veterans of the United States Armed Forces may be entitled to deductions covering part of the real estate taxes applicable to their respective Residential Units.

In 2025, Prospective Purchasers are advised that federal income tax laws affecting the ownership of residential real estate have recently been amended pursuant to legislation commonly referred to as the "Big Beautiful Bill Act" (the "Act"). The Act modifies prior limitations on the deductibility of certain state and local taxes ("SALT"), including real property taxes, and may revise or extend existing limitations on the deductibility of home mortgage interest and other itemized deductions. The extent to which real estate taxes, common charges allocable to real estate taxes, mortgage interest, and other ownership expenses may be deductible will depend upon applicable law in effect at the time of filing and each Purchaser's individual income level, filing status, and overall tax circumstances. Certain provisions of the Act may be temporary and subject to expiration or further legislative change. Accordingly, Purchasers should not assume that such expenses will be fully deductible for federal income tax purposes. The Sponsor makes no representation as to the availability or continued availability of any federal, state, or local tax deduction or benefit, and each prospective Purchaser is strongly urged to consult his or her own independent tax advisor regarding the tax consequences of purchasing and owning a Unit. See Section XXII of the Plan

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

Sponsor has also been advised that pursuant to Section 528 of the Internal Revenue Code, certain Condominiums, substantially all of whose Residential Units are used for residences, are afforded the opportunity to elect to be treated as tax-exempt organizations. In order to qualify, sixty (60%) percent or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from

the Residential Unit Owners and ninety (90%) percent or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium Properties, which properties, as defined in Section 528 of said Code, include property held by the Condominium, property commonly held by the members of the Condominium, or property within the Condominium held by the members of the Condominium. This Condominium has been structured so that it will meet the requirements of Section 528 of the Internal Revenue Code and as a result, the Condominium will be eligible to be treated as a tax-exempt organization under Section 528 of the Internal Revenue Code. Purchasers should refer to the Opinion of Counsel in Section XXI of the Offering Plan.

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

Moritt Hock & Hamroff LLP
ATTORNEYS AT LAW

**XXIII. OPINION OF COUNSEL**

May 27, 2026

259 22nd Street LLC
100 Jericho Quadrangle, Suite 220
Jericho, New York 11753

**Re: Bellrose Condominium**

Gentlepeople:

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

Beginning in tax year 2025, state and local tax ("SALT") deduction cap will increase from $10,000 to $40,000 for joint filers (from $5,000 to $20,000 for separate filers). Starting in 2026, the cap will rise by 1% annually through 2029, after which it will revert to the original $10,000 level in 2030. Beginning January 1, 2031, the SALT deduction is scheduled to revert to the TCJA limitation of $10,000, unless further legislative action is taken. Purchasers are advised that these limitations apply to the combined amount of New York State income taxes, New York City income taxes, and the real estate taxes assessed on a Unit. The ability of a Unit Owner to realize a federal income tax deduction for real estate taxes will depend on the Unit Owner's particular tax circumstances, including filing status, total state and local taxes paid, and other deductions claimed. Purchasers are encouraged to consult with their personal tax advisor regarding the federal, New York State, and New York City income tax consequences of Unit ownership, including the temporary changes applicable for tax years 2026–2030.

We have given this matter careful study, and it is our opinion that, pursuant to the provisions of the Internal Revenue Code of 1986 (the "Code") (See Revenue Ruling 64-31, C.B.1964-300), the corresponding provision of the New York State Law (See Section

615 of the Tax Law) and the Tax Cuts and Jobs Act of 2017, such interest payments and the aforesaid real estate payments are proper deductions by the owner of a Condominium Residential Unit, in connection with their Federal, New York State and City income taxes. Similarly, we are of the opinion that each Condominium Residential Unit Owner whose Residential Unit is either their principal residence or the one other residence selected pursuant to Section 163 (h) (5) (A) (i) (II) of the Code will be entitled, under Section 216 (a) (2) of the Code and Section 615 (a) of the State Law, and the Tax Cuts and Jobs Act of 2017, to deduct interest paid or accrued by the Residential Unit Owner on any mortgage, up to a maximum of $750,000, which becomes a lien on a Condominium Residential Unit. The Residential Unit may be so selected if the Residential Unit Owner either uses it as a residence within the meaning of Code Section 280A (d) (1) (i.e., uses it for personal purposes for a number of days which exceed the greater of fourteen (14) days, or ten (10%) percent of the number of days during the year for which the Residential Unit is rented at a fair rental), or neither rents nor uses the Residential Unit at any time during the year. In addition, certain Residential Unit Owners who are veterans of the United States Armed Forces may be entitled to deductions covering part of the real estate taxes applicable to their Residential Unit.

Congress has since enacted the Tax Relief and Simplification Act of 2025 (the "2025 Act"), which temporarily modifies the SALT limitation for tax years beginning January 1, 2026 and ending December 31, 2030. For these tax years, the federal SALT deduction is increased to $20,000 for single filers and $40,000 for married taxpayers filing jointly, or such other amounts as may be adjusted under the 2025 Act. Beginning January 1, 2031, the SALT deduction is scheduled to revert to the TCJA limitation of $10,000, unless further legislative action is taken. Purchasers are advised that these limitations apply to the combined amount of New York State income taxes, New York City income taxes, and the real estate taxes assessed on a Unit. The ability of a Unit Owner to realize a federal income tax deduction for real estate taxes will depend on the Unit Owner's particular tax circumstances, including filing status, total state and local taxes paid, and other deductions claimed. Purchasers are encouraged to consult with their personal tax advisor regarding the federal, New York State, and New York City income tax consequences of Unit ownership, including the temporary changes applicable for tax years 2026–2030. See Section XXII of the Plan.

In 2025, Prospective Purchasers are advised that federal income tax laws affecting the ownership of residential real estate have recently been amended pursuant to legislation commonly referred to as the "Big Beautiful Bill Act" (the "Act"). The Act modifies prior limitations on the deductibility of certain state and local taxes ("SALT"), including real property taxes, and may revise or extend existing limitations on the deductibility of home mortgage interest and other itemized deductions. The extent to which real estate taxes, common charges allocable to real estate taxes, mortgage interest, and other ownership expenses may be deductible will depend upon applicable law in effect at the time of filing and each Purchaser's individual income level, filing status, and overall tax circumstances. Certain provisions of the Act may be temporary and subject to expiration or further legislative change.

In 2025, Prospective Purchasers are advised that federal income tax laws affecting the ownership of residential real estate have recently been amended pursuant to legislation commonly referred to as the "Big Beautiful Bill Act" (the "Act"). The Act modifies prior limitations on the deductibility of certain state and local taxes ("SALT"), including real property taxes, and may revise or extend existing limitations on the deductibility of home mortgage interest and other itemized deductions. The extent to which real estate taxes, common charges allocable to real estate taxes, mortgage interest, and other ownership expenses may be deductible will depend upon applicable law in effect at the time of filing and each Purchaser's individual income level, filing status, and overall tax circumstances. Certain provisions of the Act may be temporary and subject to expiration or further legislative change.

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

Such an election will exempt from Federal, New York State and New York City Income Taxation all amounts received by the Condominium from the Residential Unit Owners as membership dues, fees or assessments. The Condominium will be taxed, however, on any excess of income over expenses from unrelated sources. Examples of unrelated sources income include interest earned on reserve funds, income from concessions and income from dues or fees received from persons other than the Residential Unit Owners.

In the event the Condominium fails to qualify for and elect Section 528 taxation status in any year, it may, to the extent it has any income from unrelated sources or from accumulated revenues received by virtue of dues, fees and assessments received from Residential Unit Owners not expended in any taxable year, be subject to Federal, New York State and New York City Income Taxation (see Rev. Ruling 74-99, 1974-1 C.B. 131).

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

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

We have examined the exceptions to title set forth in Section XIII of the Offering Plan, and we are of the opinion that none of such exceptions of title are contrary to the terms of the Purchase Agreement nor do, they interfere with the quiet use or enjoyment of the Purchaser's Unit as set forth in the Offering Plan.We have examined the Declaration and By-Laws pertaining to the proposed Condominium. It is our opinion that the Declaration and By-Laws, when recorded, will validly create a Condominium in accordance with Article 9-B of the Real Property Law of the State of New York.In addition, we note that the percentage of Common Interest for each Residential Unit as contained in Schedule A has been determined based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular unit. In our opinion, this is a proper method of determining the percentage of Common Interest in a Condominium and complies with Section 339-i (1) (iv) of the Real Property Law

In our opinion, the Condominium will be eligible for tax-exempt status, if it so elects, and Residential Unit Owners will be entitled to the above-mentioned income tax deductions. However, this opinion is not a guarantee; it is based on existing rules of law applied to the given facts and documents referred to above. No assurances can be given that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium, any 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 statues, 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 Code or the New York State tax law as amended or New York City tax law and Residential Unit Owners not to be entitled to income tax deductions.

Purchasers are advised to consult with their respective experts regarding the tax consequences of purchasing a condominium unit.It is our understanding that this letter will be made a part of the Offering Plan of Bellrose Condominium and we consent to its inclusion therein.

Very truly yours,
**MORITT HOCK & HAMROFF LLP**

By: Anthony Ficara
Anthony J. Ficara, Partner

**Highpoint Incentive Inc**
715 Virginia Street
Far Rockaway, NY 11691
Yehuda_moseson@hotmail.com
(516)459-3559

July 24, 2025

259 22nd Street LLC
954 Lexington Street
New York, NY, 11101

**Re:** 259 22nd Street
Brooklyn, NY
Lot: 897 Block: 14

**Opinion Letter Regarding Tax Liabilities**
**Project Details:** Forty (40) Class (A) Apartments, Eighteen (18) Parking units

To Whom It May Concern,

You have requested us to advise you with a opinion regarding the real estate tax liabilities available to the above captioned premises (the 'site').

**Tax Liabilities:**
The real property tax liabilities will be divided based on percentages of common interest for each condominium unit. As per Rules and Regulations set by the Department of Finance, multiple residential Class (A) units would be categorized as a Tax Class (2), with a tax rate of 12.50% (i.e., 12.50 per $100 of assessed value), the 2025/2026 tax rate. The residential parking units will be categorized as Tax Class (4) with a tax rate of 10.762% (i.e., 10.762 per $100 of assessed value), the 2025/2026 tax rate, (although it is unlikely that the tax rate will remain as it is currently). The total assessed value and real estate tax liabilities will be approximately as follows.

**Conclusion Residential:**
These are representations based on the building being constructed in accordance with the plans and specifications approved by the New York City Department of Buildings.

The total residential estimated assessed value of the property (i.e., the aggregate net square footage of all residential units being approximately 41,010 sq ft).

Assuming the assessment rate for the first twelve (12) months of condominium operation using the 2025/2026 tax year for Tax Class (2) properties @ 45% of estimated value, then the estimated

assessed value for the first twelve (12) months of condominium operation beginning July 1, 2026 through June 30, 2027 will be $4,593,120.

Assuming the tax rate for the first twelve(12) of condominium operation, using the tax rate for the 2025/2026 tax year for Tax Class (2) properties remains 12.50% per $100 of assessed value, then the estimated tax for the first twelve (12) months after completion of construction, the first twelve (12) months of condominium operation beginning July 1, 2026 through June 30, 2027 will be $574,140.

**Estimated Residential Tax Schedule**
**Twelve (12) months – July 1, 2026 – June 30, 2027**

| Unit | | Square footage | Tax Assessment | Tax |
|---|---|---|---|---|
| | | 41,010 | $4,593,120 | $574,140 |

**Conclusion: Parking Units**
Assuming the assessment rate for the first twelve(12) months of condominium operation, using the 2025/2026 tax year for Tax Class (4) properties at 45% of estimated value, then the estimated assessed value for the first twelve (12) months after completion of construction, first twelve (12) months of condominium operation beginning July1, 2026 through June 30, 2027 will be $145,800.

Assuming the tax rate for the first twelve(12) months of condominium operation, using the tax rate for the 2025/2026 tax year for Tax Class (4) properties @ 10.762% per $100 of assessed value then the estimated tax for the first twelve (12) months after completion of construction, with the first twelve (12) months of condominium operation beginning July 1 2026 through June 30, 2027 will be $15,691.

**Estimated Parking Units Tax Schedule**
**Twelve (12) Months – July 1, 2026 through June 30, 2027**

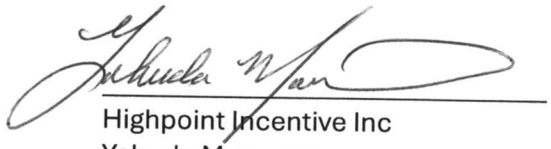
| Unit | Square Footage | Assessed Valuation | Annual Tax |
|---|---|---|---|
| | 2754 | $145,800 | $15,691 |

**Conclusion:**
The estimate is based on the net amount of zoning square footage in the building; however, the actual taxes will be prorated to the percent of common interest and the percent that each unit occupies. You are advised that this projection is an estimate as it is unlikely that the post-construction assessed value and tax for each residential and/or commercial unit's proportionate share of the total assessment and tax amount shown.

Although the aforesaid estimate of the Actual Assessed Valuation is a good faith estimate; it is not possible to estimate the same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on the interpretation of the Administrative Code and the applicable rules and regulations of the City of New York.

Though we believe our opinions are well-founded, they are not intended and should not be construed as warranties or guarantees or representation as to future assessed valuations of the property under discussion and we accept no responsibility or liability in the event that the figures of projections set forth herein are incorrect or inaccurate. In no event will this firm, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater than estimated above, or if the administrative code and the applicable rules and regulations of the City of New York are changed in the future, or if the facts as represented prove to be untrue.

Sincerely,



Highpoint Incentive Inc
Yehuda Moseson

## XXIV. RESERVE FUND

The Condominium budget includes as a reserve fund line item to be collected out of the maintenance charges paid by the Unit Owners. The reserve fund is to be used for replacement of the Common Elements, such as the roof, boilers, and other major interior or exterior Common Elements. See Footnote 13 to Schedule B for complete details.

No representation is made that the reserve fund will be adequate for future replacements of Common Elements. If additional funds are required over and above the reserve fund, it may be necessary to increase the maintenance charges or Common Charges payable by the Unit Owners or to collect a Special Assessment from each Unit Owner.

During the period Sponsor is in control of the Board of Managers, the reserve fund will not be used to reduce the estimated Common Charges.

Neither the Department of Law nor any other Governmental Agency has passed upon the adequacy of the reserve fund.

## XXV. WORKING CAPITAL FUND

At closing, the Sponsor will collect an amount equal to two (2) months Common Charges from each Purchaser to be paid to the Condominium as initial working capital. While Sponsor is in control of the Board of Managers of the Condominium, the working capital funds will not be used to reduce the Common Charges. The working capital fund may be utilized to reimburse Sponsor for prepaid expenses of the Condominium. The only budgetary item that might require a substantial credit to the Sponsor would be the insurance disclosed in Schedule B if there is an increase from the quoted premium. If any portion of the working capital funds are used during this period to pay for prepaid expenses, such amounts will be repaid to such fund out of future Common Charges collected. At the end of the Sponsor control period the working capital fund will be turned over to the Board.

In the event the Building requires replacement of Building components and systems in an amount exceeding funds available in the Reserve Fund and/or Working Capital Fund, the Board may implement a Special Assessment and/or engage a commercial lender to obtain funds to cover such expenses.

Neither the Department of Law nor any other Governmental Agency has passed upon the adequacy of such funds.

## XXVI. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

At or prior to the first closing, the Condominium will enter into a management agreement with FCMRE First Class Management, (the "Managing Agent"), having an address at 185-08 Union Tpke Suite 107, Fresh Meadows, NY 11366, a real estate management firm. The agreement will be for an initial term of (five) 5 years. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than sixty (30) days' prior written notice.

The Managing Agent will receive an annual fee approximately $30,000 payable in equal monthly installments of $2,500 and shall increase 5% per year. The Managing Agent's fee for the first year of condominium operation is comparable to the "going rate" for similar services in comparable buildings.

Managing Agent will have normal management responsibility, subject to the directives of the Board of Managers, including engaging personnel; performing bookkeeping services; involvement in collection of assessments; review of contracts to be entered into on behalf of the Condominium (subject to approval of the Board of Managers); causing maintenance and repair of the Property, but, unless provided for in the budget for the Condominium, Managing Agent shall not obligate the Condominium for any single item of repair, replacement, refurnishing or refurbishing in excess of $3,000 without the prior approval of the Board of Managers; maintaining the books and records of the Condominium; assistance in the preparation of annual budgets; attendance at monthly meetings of the Board of Managers; maintenance of bank accounts for the deposit of funds collected from Residential Owners; routine visual inspections of the property and presentation of recommendations to the Board of Managers. Additionally, Managing Agent shall handle enforcement of any leases which are in effect subject to the directives of the Board of Managers. Managing Agent may charge additional fees for matters beyond the scope of the Agreement, such as with respect to extraordinary or repeated requests for inspection of the Condominium records and the like. The Board shall be required to reimburse Managing Agent for expenses incurred in connection with its regular duties. The Management agreement may not be assigned.

Managing Agent shall not be liable to the Condominium for any loss or damage not caused by the Managing Agent negligence or willful misconduct; the Condominium will indemnify and save harmless Managing Agent from any liability for damages, cost and expenses for injury to any persons or property in, about and in connection with the Condominium, from any cause whatsoever arising from the acts of Quick link within the scope of its duties under this Agreement, unless such injury shall be caused by Managing Agent's negligence or willful misconduct; the Condominium will also indemnify and save Managing Agent from any liability for damages, penalties, costs and expenses, statutory or otherwise, for all acts performed by Managing Agent pursuant to any other written instructions of the Condominium except for those arising from Managing Agent negligence or willful misconduct.

Principals of the Sponsor are not affiliated with Managing Agent.

## XXVII. IDENTITY OF PARTIES

Sponsor

The Sponsor is 259 22nd Street LLC, a New York limited liability company with an address at 100 Jericho Quadrangle, Suite 220, Jericho, New York 11753. The Sponsor entity has not had any prior public offerings.

The Principals of the Sponsor are DSKAY Realty Holdings LLC, by Daniel Kaykov with a business address of 110-50 69th Ave, Forest Hills, NY 11375, and Poise RE DEV Holdings, LLC with a business address at 100 Jericho Quadrangle, Ste. 220 Jericho, NY 11753. Daniel Kaykov and Valeriy Katayev, are both Principals and Business Partners of Sponsor, individually, with a business address of 100 Jericho Quadrangle, Ste. 220, Jericho, New York 11753. Sponsor and Principals of Sponsor have experience real estate development.

Daniel Kaykov and Valeriy Katayev have been involved in the real estate business for several years in Brooklyn. A few condominiums that Daniel Kaykov and Valeriy Katayev are Principals of Sponsor are:

- 45 Garnet Street Condominium, filed with the NYS Dept. of Law, January 3, 2022, under File No. CD21-0225, located at 45 Garnet Street, Brooklyn, NY 11231.
- Diamond Haus, filed with the NYS Dept. of Law, June 9, 2023 under File No.CD23-0002, located at 47 Diamond Street, Brooklyn, NY 11222.
- 194 30th Street Condominium, filed with the NYS Dept. of Law under File No.CD23-0160, June 7, 2024 located at 194 30th Street, Brooklyn, NY 11232
- Aristo Condominium filed with the NYS Dept. of Law under File No CD24-0044, filed with the NYS Dept. of Law, June 24, 2024, located at 21-31 Shore Boulevard Astoria, NY 11105.

Daniel Kaykov Is also a principal of Sponsor at 102 Huron Street Condominium, filed with the NYS Dept. of Law under File No. CD19-0159, June 16, 2019 located at 102 Huron Street Brooklyn, New York 11222 and Freeman Collection, filed with the NYS Dept. of Law under File No. CD25-0231, January 12, 2026, located at 151 Freeman Street, Brooklyn, New York 11222.

The Sponsor and Principals of the Sponsor are current in its financial obligations, including, but not limited to, payment of maintenance or common charges, taxes, reserve or working capital fund payments, assessments, payments for repairs and improvements promised in the Plan, and payments of underlying mortgages and loans for which shares or units have been pledged or mortgaged.

Neither the Sponsor, nor the Principals of the Sponsor or any other individual who owns or controls ten (10%) percent or more of any unsold units in any other condominium, home owners' association or cooperative in the State of New York.

Neither the Sponsor nor the Principals of the Sponsor have ever had any prior convictions, felony convictions, bankruptcies, judgments and/or injunctions placed against them.

Selling Agent

Douglas Elliman, with an address at 575 Madison Avenue New York, New York 10022. The Selling Agent is a licensed real estate broker in the State of New York and is experienced in the sale of condominium units. Principals of the Selling Agent are not affiliated with principals of the Sponsor.

There are no (i) prior felony convictions of the selling agent, or any principals of the selling agent; and no ii) prior convictions, injunctions and judgments against the selling agent, or any principals of the selling agent that may be material to the Offering Plan or an offering of securities generally, that occurred within 15 years prior to the submission of the proposed Offering Plan.

Managing Agent

At or prior to the First Closing, the condominium will enter into a management agreement with FCMRE First Class Management (the "Managing Agent"), 185-08 Union Tpke Suite 107, Fresh Meadows, NY 11366.

The agreement will be for an initial term of (five) 5 years. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than sixty (30) days' prior written notice.

The Managing Agent will receive an annual fee approximately $30,000 payable in equal monthly installments of $2,500 and shall increase 5% per year. The Managing Agent's fee for the first year of condominium operation is comparable to the "going rate" for similar services in comparable buildings. The Managing Agent does not currently have a portfolio of buildings; however, Managing Agent has business experience in the metro New York real estate market. A few of the properties being managed by managing agent are: Aristo Condominium and Diamond Haus.

Neither Principal of the Sponsor, Daniel Kaykov and Val Katyev are affiliated with the Managing Agent. No other Principals of the Sponsor are owners of, or affiliated with, the Managing Agent.

Neither Managing Agent, its principals, and/or entities in which the principals of the managing agent were principals, have ever had any prior convictions, felony convictions, bankruptcies, judgments and/or injunctions placed against them.

Attorneys

Moritt Hock & Hamroff LLP, 1407 Broadway, 39th Floor, New York, NY 10018, counsel to the Sponsor, have been selected by the Sponsor to represent the Condominium in connection with all legal matters incident to the operation and

management of the Condominium. No legal fee will be charged for such representation except for work actually performed after the formation of the Condominium. The Condominium can, at any time, choose to select different attorneys to represent it.

All legal matters in connection with the establishment of the Condominium, including, the preparation of this Offering Plan have been passed upon for the Sponsor by Moritt Hock & Hamroff LLP. The individual attorney in said firm responsible for said work is Anthony J. Ficara, Esq.

Moritt Hock & Hamroff LLP, has no financial interest in the Property, the Sponsor, the Condominium or any other party involved in this transaction, except for fees for services rendered in connection with the Condominium.

Insurance

The Insurance quote is based upon the proposal from GM Insurance Brokerage, 199 Lee Avenue, #288 Brooklyn, for insurance coverage for the building for the first year of Condominium operation:

Architect

The architect who prepared the report in Part II and who executed the Certification in Part II is Paul Lombardi, R.A. with Design Studios Associates, 527 Court Street Suites C3, Brooklyn, NY 11231. The architect has no financial interest in the Property, the Sponsor, the Condominium or any other party involved in this transaction, except for its fee for services rendered in connection with the Condominium. The architect has had prior experience in the preparation of plans and specifications for other condominiums and residential projects in the Metropolitan area. Examples of properties are: 38 Skillman Avenue, Brooklyn, New York. 40 Skillman Avenue, Brooklyn, New York. 45 Garnett Street, Brooklyn, New York.

The Sponsor and Principals of the Sponsor are not owners of, or affiliated with Design Studios Associates.

## XXVIII. REPORTS TO RESIDENTIAL UNIT OWNERS

It is the obligation of the Board of Managers of the Condominium to give all Residential Unit Owners annually:

(i) a financial statement of the Condominium prepared by a certified public accountant or public accountant by a specific date; such statement shall be certified while the Sponsor retains a majority of the Members of the Board of Managers and such statement shall be provided no later than four (4) months after the close of the fiscal year;

(ii) at least ten (10) days, but no more than thirty (30) days prior notice of the annual Residential Unit Owners' meeting; and

(i) a copy of the proposed annual budget of the Condominium within thirty (30) days of the date set for adoption by the Board of Managers. While Sponsor is in control of the Board of Managers, such budget will be certified in accordance with the regulations of the Department of Law.

## XXIX. DOCUMENTS ON FILE

Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at a reasonable charge at Sponsor's office for six years from the date of first closing. The Sponsor shall deliver to the Board of Managers a copy of all documents filed with the appropriate recording office at the time of the closing of the first Residential Unit.

## XXX. GENERAL

Pending Litigation

As of the date of this Offering Plan, there is no litigation or administrative proceedings pending against the Condominium or the Sponsor or any other party which would affect their ability to perform their obligations relating to this offering, or which would in any way affect this offering.

Prior Offerings

This property has not been the subject of a prior public offering. No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the Residential Units being offered for sale in the Offering Plan and no deposits or advances of funds have been taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of such Residential Units, prior to acceptance of the Offering Plan by the Department of Law. The property forming the Condominium is a vacant building and there are no residential or commercial tenants occupying the premises.

Non-Discrimination

In accordance with the provisions of the laws of the State of New York, the Sponsor represents that it will not discriminate against any person because of his or her race, creed, sex, sexual orientation, color, disability, marital status, national origin or ancestry in the sale of Residential Units under this Plan.

Amendment of Plan

The Plan may be amended at any time and from time to time provided that, if the amendment is a material and substantial modification of the Plan which adversely affects Purchasers, then anyone who has theretofore executed a Purchase Agreement shall be given not less than thirty (30) days after a copy of the duly filed amendment is mailed or otherwise delivered to them by written notice to the Sponsor to cancel the Purchase Agreement and to obtain a refund, in full, of the down payment made therewith with interest, if any. No person has been authorized to make any representation, which is not expressly contained herein. This Plan may not be changed or modified orally.

Other Circumstances

The Sponsor has no knowledge of any other circumstances that may affect the use or enjoyment of the Building and its appurtenances, not disclosed elsewhere in the Plan.

## XXXI. SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION

Sponsor adopts the Description of Property set forth in Part II of the Plan. Sponsor has no knowledge of any material defects or need for major repairs except as set forth in the Description of Property Report set forth in Part II of the Plan.

Date of Offering Plan: , 2026
New York, New York

**259 22nd Street LLC**
Sponsor

# O F F E R I N G  S T A T E M E N T

Bellrose Condominium
Brooklyn, Kings County, New York 11215.

**PART II**

# RESIDENTIAL PURCHASE AGREEMENT

**Unit No.** _____ **Date** _____

**Anticipated Closing Date:** _____

**Seller:** 259 22nd Street LLC

**Address:** 42 West Street. Suite 319, Brooklyn, New York 11222

**Purchaser(s):** _____

**Home Address:** _____

**Residential Telephone Number:** _____

**Business Telephone Number(s):** _____

**Social Security Number(s):** _____

**Purchaser's Attorney:** _____

**Attorney's Address:** _____

**Attorney's Phone/Fax Numbers:** Phone:_____ Fax _____

**Seller and Purchaser agree as follows:**

1) **PURCHASE PRICE:**

| | |
|---|---|
| Residential Unit | $_____ |
| Builder upgrades & options ("Extras") | $_____ |
| | **TOTAL $**_____ |

**PAYABLE AS FOLLOWS:**

| | |
|---|---|
| On the signing of this Purchase Agreement, 10% of the Purchase Price plus Extras, the receipt whereof is hereby acknowledged (the "Downpayment") | $_____ |
| Purchaser's certified or bank cashier's check (drawn on a New York Bank payable directly to the order of Seller or Seller 's designee on the Closing of Title | $_____ |
| | **TOTAL $**_____ |

SCHEDULE D

Any payment made by check is accepted subject to collection. If any check tendered is not honored, Purchaser shall provide a certified check or bank cashier's check payable directly to the payee on the dishonored check within seventy-two (72) hours after demand for replacement therefore.

Notwithstanding the foregoing, if for any reason whatsoever the check given by Purchaser as the down payment hereunder is dishonored, Seller shall have the right to cancel this Purchase Agreement. Seller's election to cancel shall not be deemed a waiver by Seller of its right to pursue other remedies.

**THE PAYMENT DUE AT CLOSING IN ACCORDANCE WITH THIS PURCHASE AGREEMENT ON ACCOUNT OF THE PURCHASE PRICE MUST BE MADE BY WIRE OR OFFICIAL BANK TELLERS CHECK ON A NEW YORK CLEARINGHOUSE BANK PAYABLE DIRECTLY TO SELLER OR SELLER'S DESIGNEE. IF PAYMENT SHALL BE MADE TO SELLER'S DESIGNEE, SELLER SHALL GIVE PURCHASER PRIOR INSTRUCTIONS. UNCERTIFIED CHECKS OF FUNDING COMPANIES, ATTORNEY'S ESCROW CHECKS AND CHECKS PAYABLE TO PURCHASER OR ANOTHER PARTY AND ENDORSED TO SELLER WILL NOT BE ACCEPTED AND TENDER OF SAME WILL NOT CONSTITUTE COMPLIANCE BY PURCHASER OF THEIR OBLIGATIONS HEREUNDER.**

Title to all items of personal property shall be delivered free and clear of all liens and encumbrances, except the lien of the mortgage applied for by Purchasers herein, if any.

**2) DESCRIPTION OF UNIT** - Seller agrees, at its own cost and expense, to erect and complete, and Purchaser shall buy from Seller, the condominium unit(s) known as Residential Unit No. _____ (the "Residential Unit") [and Parking Space Unit No. ___, if applicable], together with a combined _____ percent undivided interest in the common elements of the condominium (the "Common Elements") known as Bellrose Condominium (the "Condominium"), located on 259 22nd Street, Brooklyn, New York Kings County, New York 11215 and as described in the Declaration of Condominium to be recorded in the New York City Register's Office, Kings County, to be built by Seller on property comprising the Condominium Map (the "Property") filed or to be filed in the New York City Register's Office, Kings County. The Residential Unit, as applicable, shall hereinafter be collectively referred to as the "Unit". The Unit and Parking Space Unit shall be constructed in accordance with the requirements as to materials and workmanship of the Building Department of the City of New York, which, when completed, will be in substantial accordance with the plans as filed or to be filed with the Building Department of the City of New York.

The Unit may vary from any models displayed to Purchaser, and Purchaser should not rely on any model depiction of the units in the Condominium. All dimensions are approximate and may vary from the floor plans of the Condominium.

The Unit shall not include any of the following if displayed in any unit or model unit: decorative fixtures, furniture, furnishings, paint, wallpaper, carpeting, shelves, wall and window treatments, built-ins, burglar alarm systems, site lighting, special landscaping installed at any model units, washer/dryer, central vacuum systems, patios, decks, highhat lighting, additional fixtures and switches added for decorative purposes,

pull down staircases and skylights and other optional fixtures or features exhibited in any model units and/or any sales office excepting those specifically set forth as may be attached to this Purchase Agreement, or above. Purchaser acknowledges that the above features, as contained in any model unit and/or sales office are for display purposes only and are not included in this sale unless specifically provided for in this Purchase Agreement.

All improvements containing natural materials are subject to fade. Seller shall not be responsible to change, replace or remove any improvements in the event they fade.

3) **OFFERING PLAN** - Seller has exhibited and delivered to the Purchaser, and Purchaser acknowledges having received, read and understood, the Offering Plan for condominium ownership of the Property and all amendments thereto filed to date, all of which are incorporated by reference and made a part of this Purchase Agreement, with the same force and effect as if fully set forth in this Purchase Agreement. Purchaser agrees to be bound by the Offering Plan, including all amendments thereto now or hereafter filed by Seller (collectively the "Plan"). Seller may freely amend the Plan in any respect from time to time, without Purchaser's approval or consent. Any conflict between the Plan and this Purchase Agreement shall be resolved according to the terms of the Plan. Purchaser acknowledges having received and read the Plan at least three (3) business days prior to signing this Purchase Agreement and having had full opportunity to examine all papers and documents and investigate all matters set forth in the Plan.

Purchaser shall deliver all documents to Seller and perform all acts required by Seller to carry out the provisions of the Plan, establish the Condominium and conform to all applicable laws and regulations. This Paragraph shall survive Closing and delivery of the deed.

4) **MORTGAGE FINANCING** - This Purchase Agreement is not conditioned upon Purchaser obtaining mortgage financing. In the event Purchaser is unable to obtain a mortgage, this Purchase Agreement shall remain in effect and Purchaser shall have an ongoing obligation to consummate the transaction. If a Purchaser does not consummate the transaction and close title to the Unit as a result of Purchaser's inability to obtain a mortgage, Purchaser will be in default under this Purchase Agreement and Seller may retain all monies as provided for in Paragraph 22 herein. Purchaser further understands and agrees that if he or she chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in his financial status or condition shall release or relieve him of his obligations pursuant to this Purchase Agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the closing beyond the expiration of the loan commitment.

5) **CLOSING DATE; ADJOURNMENTS; CONSTRUCTION DELAYS BY SELLER** - The act of transferring ownership of the Unit in return for payment in full of the Purchase Price and all other sums due from Purchaser under this Purchase Agreement is known as the "Closing". The Anticipated Closing Date indicated on the first page of the Purchase Agreement is an approximate date and Seller cannot make any guarantees

that such date will be the actual Closing Date. Seller shall have the right to adjourn or advance such Closing Date as provided herein. The Closing shall take place at such time and place and on such date as Seller shall designate by prior written notice ("Notice for Closing") delivered in accordance with Paragraph 30 herein, which shall be given no less than thirty (30) days before the date set for Closing. Purchaser may waive the thirty (30) day notice period by execution and delivery of a waiver in the form set forth as Schedule D-2 to the Purchase Agreement in the Plan.

Should Seller be unable to convey title to Purchaser in accordance with the Notice for Closing, Seller shall have the right, from time to time, to adjourn the date and time for Closing on written notice to Purchaser. In such event, Seller shall, by a new Notice for Closing, fix a new date and time for Closing, which shall be no less than ten (10) days before the new scheduled date and time for Closing.

If the Closing takes place at the request of Purchaser at any location other than the office of Seller's attorney, Purchaser shall pay to Seller's attorney a travel fee in the sum of $250. The Closing may not take place in any other location without Seller's prior written consent.

In the event the Closing is adjourned with Seller's consent, at the request of Purchaser or Purchaser's attorney within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Seller's attorney an adjournment fee in the sum of $500.

In the event that the closing of title to the first Residential Unit in the Condominium has not occurred within twelve (12) months of the anticipated date of first closing set forth in the Offering Plan, as same may be amended, Purchasers will be afforded a right of recission.

If Purchaser is not in default under this Purchase Agreement and the Closing has not taken place within twelve (12) months after the Anticipated Closing Date set forth on the first page of this Purchase Agreement, either Seller or Purchaser may cancel this Purchase Agreement by forwarding written notice of cancellation to the other no later than ten (10) days after expiration of such twelve (12) month period whereupon Seller shall refund to Purchaser, subject to the escrow provisions as disclosed in Section XII of the Plan, all payments, other than Funds used towards upgrades, options or extras, made by Purchaser to Seller on account of the Purchase Price and neither party shall thereafter have any further liability or obligation to the other in connection with this Purchase Agreement or transaction. Purchaser shall be obligated to notify Seller in writing of its intent to exercise said option no later than ten (10) days after the twelve (12) month period. Failure to so notify Seller shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement. In the event Seller shall be unable to convey title to the Residential Unit within twenty-four (24) months of the proposed date of delivery through no fault of the Purchaser, the Purchase Agreement shall be deemed null and void and Seller shall return all monies being held in escrow within thirty (30) days thereafter.

6) **ADDITIONAL MONEY TO BE PAID BY PURCHASER AT CLOSING** - In addition to all other sums payable or reimbursable elsewhere under this Purchase Agreement, Purchaser shall at Closing pay, or reimburse to Seller if Seller has already made payment, or pay to any Lender, all applicable charges for:

(a) Any Lender's charges for inspections, appraisals, title examination and policy insuring the Lender's interest, Lender's attorneys' fees for preparation of all loan documents, all commitment fees, points, origination fees and other fees and charges (however characterized) imposed or exacted by the Lender or incurred by Seller or Purchaser in connection with Purchaser's mortgage loan;
(b) any mortgage recording taxes on Purchaser's mortgage;
(c) governmental charges which may be assessed on account of any mortgage loan;
(d) mortgage insurance, if required, on Purchaser's mortgage;
(e) New York State real estate transfer tax on the deed;
(f) New York City real estate transfer tax on the deed;
(g) Mansion Tax pursuant to Section 1402-a of the Tax Law of the State of New York, if applicable;
(h) all recording and filing charges payable on account of the transfer of title and recording of all documents in connection therewith including without limitation any mortgage, the deed, power of attorney, affidavit required

pursuant to Section 339-ee of the New York State Real Property Law and any blanket mortgage release documents;
(i) a sum equal to the partial mortgage tax credit to which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller;
(j) an initial non-reimbursable capital contribution in an amount equal to two (2) months Common Charges, payable to the Condominium;
(k) a pro-rata portion of the Condominium's estimated first year insurance, based on the Unit's percentage of Common Interest; and
(l) $2,500 to Seller's attorney for the preparation of the closing documents.

Purchaser shall also apportion with Seller as of the end of the day prior to Closing, and pay to Seller at Closing, the apportioned amount due for taxes, condominium Common Charges, sewer use, water use, fuel oil (if any) and any other utility costs. Purchaser shall also pay the deposits required by the Lender to establish the estimated or escrow fund for future payments of taxes, condominium Common Charges, sewer use and insurance premiums (if applicable). In addition, in the event Seller's attorney prepares the New York City "ACRIS" transfer documents, Purchaser shall be required to pay Seller's attorney an additional fee of $250. In the event the title company prepares the ACRIS, Purchaser shall pay the applicable fee of the title company. If through no fault of Seller, Purchaser fails for any reason to close title on the date originally scheduled in Seller's Notice for Closing, or such later date (if applicable) to which Seller in a subsequent Notice for Closing adjourned the Closing, all of the aforementioned apportionments shall be made as of the end of the day preceding (i) the date originally scheduled for Closing or (ii) Seller's adjourned closing date (as the case may be).

Purchaser shall pay to Seller at or prior to the date of the actual adjourned Closing, an amount equal to .0438% per diem (which equals an annual rate of 16%) of the Purchase Price for the Unit for each day beyond such originally scheduled or Seller adjourned Closing Date, to and including the date of actual Closing, for reimbursement

and defrayal of Seller's carrying costs and other charges, which amount Purchaser acknowledges to be reasonable and proper.

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

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

7) **CONSTRUCTION LOAN MORTGAGE** - This Purchase Agreement is subject and subordinate without the necessity of Purchaser signing or delivering any documents or papers, to the lien of any existing or future construction loan mortgage and all payments or expenses already made or incurred or which may hereafter be made or incurred in connection with such construction loan mortgage. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the construction loan schedule of payments or accelerated thereunder by virtue of the construction lender's right to make advances before they become due in accordance with the schedule of payments. The Unit and its/their appurtenant percentage of Common Interest in the Common Elements (as such term is defined in the Plan), shall be released from the lien of such construction loan mortgage upon Closing, except where such mortgage is converted to Purchaser's individual mortgage on the Unit. In such case, the Unit shall remain subject to the lien of such construction loan mortgage and Purchaser shall reimburse to Seller at Closing, in addition to all other sums to be reimbursed by Purchaser to Seller under this Purchase Agreement, an amount equal to the mortgage tax paid by Seller on such construction loan mortgage. In all other cases, any mortgage tax credit available under Real Property Law Section 339-ee shall inure exclusively to the benefit of Seller.

8) **DEED AND ENCUMBRANCES UPON OWNERSHIP** - The deed to be given by Seller to Purchaser at Closing shall be a Bargain and Sale with Covenant against Grantor's Acts deed, but subject, nevertheless, to the matters set forth in sub-paragraphs (a) through (f) below which need not be recited in the deed given at Closing but shall survive Closing, and Seller's covenant in the deed against encumbrances shall

be deemed modified accordingly. The deed shall be duly executed and acknowledged by Seller in proper statutory form for recording (except for payment of the New York State and City transfer tax which is the obligation of Purchaser) so as to convey to Purchaser fee simple title to the Unit, free and clear of all liens and encumbrances, except as herein stated. The deed shall also contain the covenant required by subdivision 5 of Section 13 of the Lien Law. Purchaser shall accept such title and deed description of the Unit subject to the liens, encumbrances and other matters set forth in this Purchase Agreement, as Metropolitan Abstract Corporation ("Metropolitan"), a title company authorized to do business in the State of New York, Metropolitan Abstract Corporation, Inc., 100 Jericho Quadrangle, Suite 134, New York 11753 (516-741-5474, is willing to approve and insure without additional premium. Purchaser may obtain title insurance from any title insurance company or abstract company, or Purchaser may decline to obtain any title insurance at all, however Seller recommends that Purchaser utilize Metropolitan. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against the title insurance company which insured Purchaser's title to the Unit before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss of damage not covered by such title insurance company. In the event that Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would have been covered by the title insurance that was available to Purchaser at the time of closing of title.

Purchaser shall be responsible for payment to the title company of the entire premium for Purchaser's title insurance, and shall also pay the applicable New York State and City transfer tax and mansion tax, if applicable.

The sale and transfer of ownership of the Unit to Purchaser shall, even though not stated in the deed, be subject to:

(a) Ordinances, rules, regulations, requirements and approvals of applicable governmental authorities, provided not violated by the Unit to be constructed.
(b) Rights for installation, use and/or maintenance of easements and rights of way for utilities, sewer, cable television, drainage, scenic purposes, screening and planting which have already been granted or may be granted after this Purchase Agreement is signed or after Closing, provided they do not prevent use of the Unit for their intended purposes.
(c) Declarations, covenants, restrictions, reservations, exceptions, easements and agreements which have been recorded, or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of the Unit for their intended purposes.
(d) Unpaid taxes and liens, provided the title insurance company shall insure against collection of same out of the Unit.
(e) The filed Condominium Map and all matters reflected thereon.
(f) The Declaration and By-Laws of the Condominium and any amendments or supplements thereto.

Purchaser shall deliver to Seller's attorney at least ten (10) days prior to Closing, a written notice setting forth each objection to title, if any (other than those specifically set forth herein subject to which the Property are being sold), and a copy of Purchaser's

title report. Seller shall have the right to a reasonable adjournment of Closing, not to exceed sixty (60) days, for the purpose of curing any title defect; however, no such action taken by Seller shall be deemed an admission by Seller that such defect is one that would entitle Purchaser to cancel this Purchase Agreement. However, if such defect in title existed at least ten (10) days prior to the closing of title and Purchaser failed to send Sponsor's attorney written notice of such defect in title at least ten (10) days prior to the closing of title, then Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered at the request of Purchaser.

9) **PERSONAL PROPERTY INCLUDED IN SALE** - All articles of personal property, fixtures and equipment for the Unit which are included in this sale will be delivered free and clear of all liens and encumbrances, except as stated in Paragraph 9 herein, if applicable.

10) **POWER OF ATTORNEY** - At closing, Purchaser shall execute, acknowledge and deliver to Seller in recordable form, a power of attorney in the form set forth as Schedule E, as same may be amended from time to time to comply with applicable law, to the Plan (the "Power of Attorney"), in favor of the Board of Managers of the Condominium relative to leasing and purchasing of Units in the Condominium under certain circumstances and to foreclose upon Units in the Condominium for which the payment of Common Charges is delinquent, and in favor of Seller relative to amending the Condominium documents to the extent provided for in the Plan. In the event the form Power of Attorney set forth in the Plan is deemed to be insufficient, in Seller's sole discretion, due to statutory changes to the New York State short form power of attorney, Purchaser shall execute an amended power of attorney to effectuate the powers granted in the Power of Attorney set forth in the Plan. This paragraph shall survive delivery of the deed.

11) **ENCUMBRANCES/LIENS EXISTING AT CLOSING** - The existence of anything affecting the sale at Closing, including unpaid taxes or liens of any kind, shall not constitute an objection to title provided Certified, or another title or abstract company selected by Purchaser, is willing to insure Purchaser's title clear of the matter or is willing to insure against enforcement or collection out of the Unit upon Seller's doing whatever acts as may be required by said company and/or the depositing of money. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the Unit, not provided for in this Purchase Agreement, out of the monies to be paid by the Purchaser at the time of Closing.

12) **EXTRA WORK AND EXTRA ITEMS ORDERED BY PURCHASER -** Any work or items ordered from Seller by Purchaser which are not included in the plans or standard model of the Unit shall, except as may otherwise be provided in this Purchase Agreement or in a writing signed by Seller, be paid for in full by Purchaser at the time they are ordered. The failure of Seller to perform or supply and install such work or items shall not entitle Purchaser to cancel this Purchase Agreement even if Purchaser has already paid for such work or items. Purchaser's only right, in the event of Seller's failure to perform such extra work or supply and install such extra items, is to receive a refund or credit at Closing equal to the total payments made to Seller for such extra work or extra items. All extras must be ordered prior to commencement of construction and must not delay construction. In the event Purchaser orders upgraded or optional

items or finishes other than the standard provided by Seller, Seller or Seller's contractors shall not be responsible or liable for any defects in quality of materials or workmanship in installation. Failure to make any payments due in accordance with the payment schedule of Seller, Seller's contractors or sub-contractors, as applicable, shall constitute a breach in accordance with Paragraph 22 herein. As noted as a Special Risk in the Plan, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds paid for Extras. Seller shall have no responsibility for any work, fixtures, appliances, equipment or materials not ordered directly from Seller by Purchaser. For the purposes of this provision, any orders which Purchaser places directly with Seller's contractors or suppliers shall not be deemed to have been ordered directly from Seller.

13) **OPTIONS AND COLOR SELECTIONS** - Any choices given by Seller to Purchaser in colors, products, materials, design, features and similar matters shall be made by Purchaser in writing at Seller's office or model site, within ten (10) days after notification to Purchaser to make such choices. If there is anything as to which Purchaser has a choice, and Purchaser fails to inform Seller of Purchaser's choice within such ten (10) day time period, then Seller may make the choice on Purchaser's behalf and Purchaser shall accept such choice so made by Seller as if originally made by Purchaser. No claim or objection to Closing shall be made by Purchaser because of any choice made by Seller in any case where Purchaser failed to give Seller timely notice of Purchaser's choice.

14) **NO INSPECTIONS DURING CONSTRUCTION** - Purchaser acknowledges that unsupervised visits to the Property (the "Construction Site") present a dangerous circumstance and could incur liability to Seller. **Unless specifically agreed to by Seller in writing, Purchaser shall not visit the Unit or any other portion of the Construction Site, and shall only have the right to visit the Seller's sales office (the "Sales Office"). Any unauthorized visits to the Construction Site by Purchaser are subject to a charge by Seller of $500 per visit, which Purchaser agrees to pay Seller within ten (10) days of billing thereof.** Purchaser hereby releases and indemnifies, defends and holds Seller harmless for all claims and liabilities incurred by Seller resulting from the presence of Purchaser or Purchaser's family members or invitees on the Property prior to Closing. Purchaser further agrees to execute the Express Assumption of Risk Form, in the form set forth as Schedule D-3 to the Plan.

15) **PURCHASERS' INTERFERENCE** - Purchaser acknowledges that it may not interfere with Seller's ability to construct the Unit or other unit(s) or facilities, including interference with work performed on site by Seller's staff in connection with the construction of the Unit or any other units, attempts to hire any of Seller's staff or contractors, and/or attempts to bring contractors, materialman, subcontractors or workers onto the site for work on the Unit prior to Closing, unless otherwise agreed to in writing by Seller.

16) **PURCHASER MAY NOT TAKE POSSESSION OF THE UNIT PRIOR TO CLOSING** - Neither Purchaser nor anyone acting on Purchaser's behalf may enter or take possession of any part of the Unit nor have any work performed or materials supplied or installed at the Unit prior to Closing without the prior written consent of Seller.

Purchaser acknowledges and agrees that Seller will accept no liability whatsoever for any property belonging to the Purchaser, their agents, employees, family, or belonging to any party other than Seller which is placed on the Property and/or in the Unit prior to Closing. No act of the Seller, whatever its nature, shall constitute a waiver of this Paragraph.

17) **CHANGES BY SELLER -** In building the Unit and performing any other work on the Property, Seller reserves the right to: (a) make changes or substitutions of materials or construction from those shown in the model units or building plans, provided any such changes or substitutions are of substantially similar or better quality; (b) determine the exterior color and design of the Building; (c) change the location and type of the Units to be constructed in the Condominium; (d) fix the location and setbacks of the Building; (e) determine whether existing trees, shrubs and other plant life on the Property are to be moved or removed, (f) add or remove retaining walls on the Property where required by grade conditions; (g) determine the location of electric, gas and water meters, electric transformers, air conditioning compressors, mailboxes; (h) change appliances as long as they are equal to or better than originally offered; (i) change the location of kitchen and bathroom cabinets, counters and drawers; (j) make changes to the Unit, which result in variations of up to five (5%) percent of the Unit square footage listed in Schedule A to the Offering Plan; and (k) make any other changes required by the City of New York.

Seller shall notify Purchaser of any major changes, specifications, deviations, additions or deletions, which are beyond the scope of those set forth above ("Extraordinary Changes"). If Seller notifies Purchaser in writing of any Extraordinary Changes, Purchaser shall be deemed to have approved of same, unless Seller receives Purchaser's written disapproval thereof within ten (10) days from date of the notice by Seller. Upon receipt of Purchaser's disapproval, Seller may, within thirty (30) days thereafter, give Purchaser written notice withdrawing its proposed Extraordinary Changes, in which case Seller shall thereafter continue with its development activities without the Extraordinary Changes. If Seller fails to give Purchaser notice of withdrawal within such thirty (30) day period, Purchaser may declare this Purchase Agreement null and void by so notifying Seller in writing delivered to Seller no later than forty-five (45) days after having delivered Seller the original notice of disapproval, whereupon Seller shall promptly return to Purchaser all monies paid by Purchaser to Seller, except Funds used towards upgrades, options or extras, on account of the purchase price and thereafter neither party shall have any further liability or obligation to the other in connection with this Purchase Agreement or transaction.

18) **COMPLETION OF CONSTRUCTION; PURCHASER'S INSPECTION** - Purchaser shall accept title (without abatement in or credit against the Purchase Price or provision for escrow) notwithstanding that construction of (a) minor details of the Unit or the building in which it is located, or (b) other units in the Condominium, or (c) the landscaped areas of the Property, or (d) parking spaces or driveway or garage, or (e) other portions of the Common Areas have not been completed. Purchaser will inspect the Unit with a representative of the Seller during normal business hours approximately three (3) days prior to Closing and will sign and deliver to Seller on or before Closing, a Pre-Title Inspection Statement supplied by Seller, acknowledging the condition of the Unit. Receipt of the executed Pre-Title Inspection Statement shall be a condition

precedent to closing. Purchaser agrees to accept the Pre-Title Inspection Statement wherein the Seller shall agree to complete all unfinished items within six (6) months from the date of Closing, weather and other circumstances permitting. Any such incomplete items shall not constitute an objection to closing provided Seller executes and delivers to Purchaser, a letter agreement in accordance with the foregoing. Purchaser shall allow Seller, its agents, servants and/or employees the right to enter the Unit and shall provide reasonable access thereto subsequent to Closing to complete any incomplete items.

In the event Seller is required to make any repair or complete any item of work to be performed by Seller after Closing, the limit of Seller's liability shall be to make said repair and/or to complete such item. This Paragraph shall survive Closing and delivery of the deed.

19) **CERTIFICATE OF OCCUPANCY** - At Closing, Seller shall deliver to Purchaser a temporary or permanent Certificate of Occupancy for the Unit (or building in which it is located) and, if available, a New York Board of Fire Underwriter's Certificate for the Unit.

20) **UNIT PART OF DEVELOPMENT** - Purchaser acknowledges that they may be living in an active construction site after Closing on the Unit. During the period of construction, there may be dirt and debris and construction material on the Property, construction vehicular traffic, construction noises, unfinished areas of the Condominium and other inconveniences, which are normal in a community undergoing construction. Purchaser further acknowledges that other units and infrastructure are presently being constructed at the Property and that Seller anticipates that such construction shall continue until the Condominium project is completed in accordance with the Plan. Accordingly, Purchaser agrees that such continuing construction shall not be deemed a nuisance nor an interference with Purchaser's quiet enjoyment of the Unit after Closing. This Paragraph shall survive Closing and the delivery of the deed.

21) **PURCHASER'S DEFAULT** - If Purchaser fails to appear and close title in accordance with this Purchase Agreement on the date and at the time and place stated in Seller's Notice for Closing, or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under this Purchase Agreement, Seller may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default. Upon Purchaser's failure to cure such default within such thirty (30) day period, this Purchase Agreement shall, at Seller's option, be deemed canceled and Seller shall have the right to retain as and for liquidated damages, all sums paid by Purchaser to Seller on account of the Purchase Price plus all additional sums paid and/or payable by Purchaser for all Extras ordered by Purchaser, together with all interest credited thereon, if any, which total amount Purchaser acknowledges to be fair and reasonable.

The notice of default shall not be deemed notice to the Purchaser by the Escrow Agent of the Escrow Agent's intent to release the funds being held in escrow on behalf of the Purchaser pursuant to the dispute resolution provisions of the Attorney General's escrow regulations as described in Section X of the Offering Plan. A separate notice must be sent out to release escrow funds.

**TIME IS OF THE ESSENCE FOR PURCHASER TO CURE SUCH DEFAULT**

**WITHIN SUCH THIRTY (30) DAY PERIOD.**

Upon cancellation of this Purchase Agreement for Purchaser's failure to timely cure any such default, Seller shall be released and discharged of all further liability and obligations to Purchaser under this Purchase Agreement. Thereafter the Unit may be sold or disposed of as though this Purchase Agreement had never existed and without any accounting to Purchaser for the proceeds of any subsequent sale. The foregoing remedy shall be in addition to any and all other remedies available to Seller under this Purchase Agreement or at law for any default by Purchaser under this Purchase Agreement.

22) **SELLER'S RIGHT TO CANCEL** - Seller may seek cancellation if one or more of the following events materially and permanently prevents completion of the Unit, despite Seller's commercially reasonable and diligent efforts, and is not caused in whole or in part by Seller's acts or omissions:

(a) A governmental authority issues a final, non-appealable order that expressly prohibits construction or completion of the Unit (not merely delays or increases costs);

(b) A government-mandated prohibition on the manufacture or lawful use of essential construction materials customarily used in the Project, where reasonable substitute materials are unavailable at commercially reasonable prices;

(c) A generalized, industry-wide labor stoppage, war, civil unrest, act of God, or declared national emergency that directly prevents construction (mere supply delays or cost increases shall not qualify);

(d) A government imposed, long term restriction on installation of required public utilities that makes occupancy legally impossible, or

(e) A zoning or building regulation enacted after the Effective Date that specifically applies to the Project and makes construction legally impossible, not merely more expensive or burdensome

Upon such cancellation and refund, this Purchase Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Purchase Agreement and the Offering Plan.

23) **INABILITY OF SELLER TO TRANSFER OWNERSHIP** - Except for Seller's willful default, if Seller is unable to transfer ownership of the Unit in accordance with this Purchase Agreement, Seller shall only be liable to Purchaser for the return to Purchaser of the down payment. Thereafter, this Purchase Agreement shall be deemed canceled and neither party shall have any further liability to the other in connection with this Purchase Agreement or transaction. Seller shall not be required to commence any action or proceeding or incur any expense in order to remove the condition, which prevents Seller from transferring ownership of the Unit in accordance with this Purchase Agreement. 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 a stated amount which shall not be less than one-half of one percent of the total offering amount; (ii) substantial damage or destruction of the building by fire or other casualty which cannot be cured for less than a stated amount which shall not be 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. Sponsor must provide that any stated dollar amount relied upon as basis for abandonment after effectiveness must exclude any attorney's fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the plan and are either known to the sponsor or are a matter of public record.

24) **PROHIBITION AGAINST ASSIGNMENT OR RECORDING OF PURCHASE AGREEMENT** - Neither this Purchase Agreement nor Purchaser's interest hereunder may be assigned by Purchaser without the written consent of Seller. In addition, neither shall this Purchase Agreement nor any memorandum thereof be recorded in the office of any county clerk or the King's County Register's Office by Purchaser or anyone on Purchaser's behalf. Should Purchaser violate the provisions of the foregoing sentence, this Purchase Agreement, at Seller's option, shall become null and void, whereupon all rights of the Purchaser shall cease and terminate and Seller shall have the right to retain the Downpayment and all amounts paid by Purchaser for Extras, as and for liquidated damages on account of such default by Purchaser pursuant to the provisions of Paragraph 22 hereunder.

25) **PROHIBITION AGAINST SIGNS ON UNIT** - Purchaser shall not place any sign anywhere on the Unit or Property at any time.

26) **PROHIBITION AGAINST ADVERTISING OF UNIT FOR SALE** - From and after the date hereof, Purchaser shall not place an advertisement for the sale of the Unit in any newspaper or other publication or media, or list the Unit with any real estate broker prior to Closing. Such action will constitute a material breach of this Purchase Agreement entitling Seller to retain monies paid on account of the Purchase Agreement plus the cost of Extras as liquidated damages.

27) **NO BROKER CONSULTED BY PURCHASER** – Purchaser represents that no broker other than Seller's broker (the "Broker") brought about this sale, and Purchaser agrees to indemnify Seller against any claim brought by any other broker for brokerage commission based upon Purchaser's acts. Seller shall pay the Broker pursuant to separate agreement. In the event Purchaser is represented or has consulted with an outside broker (other than the Broker), Purchaser shall be responsible for all costs and commissions associated therewith, and Seller shall not be responsible for any co-broker commission. This Paragraph shall survive Closing and delivery of the deed.

28) **TRUST FUNDS** - The law firm of Moritt Hock & Hamroff LLP. with an address at 1407 Broadway, 39th Floor., New York, New York 10018, telephone number (212) 239-2000, shall serve as escrow agent ("Escrow Agent") for Sponsor and Purchaser. The Escrow Account will be opened with Metropolitan Commercial Bank, at their branch located at 1359 Broadway, New York, New York ("Bank"). Escrow Agent has designated the following MHH partners to serve as signatories: Anthony J. Ficara, Ted A. Berkowitz, Gary C. Hisiger and Michael Cardello III. All designated signatories are

admitted to practice law in the State of New York. Neither the Escrow Agent nor any authorized signatories on the account are the Sponsor, Selling Agent, Managing Agent, or any principal thereof, or have any beneficial interest in any of the foregoing.

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

The Escrow Agent has established the escrow account at a bank authorized to do business in the State of New York. The escrow account is entitled "Moritt Hock & Hamroff LLP, Attorney Escrow Account IOLA, Condominium Escrow Account– Escrow Account". The Escrow Account is an IOLA account. The Escrow Account is federally insured by the FDIC at the maximum amount of $250,000 per deposit. Any deposit in excess of $250,000 will not be insured.

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

The Escrow Account is an IOLA account and no interest will be paid to Purchaser. No fees of any kind may be deducted from the Escrow Account, and the Sponsor shall bear all costs associated with the maintenance of the Escrow Account.

The 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.

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.

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

with the New York State Department of Law's regulations concerning Deposits and requisite notice was timely mailed to the Purchaser.

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

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

The Escrow Agent shall release the Deposit if so directed:

(a) pursuant to terms and conditions set forth in the Purchase Agreement in Paragraph 29 upon closing of title to the Unit; or

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

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

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

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

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

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

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

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

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

A fiduciary relationship shall exist between Escrow Agent and Purchaser, and Escrow Agent acknowledges its fiduciary and statutory obligations pursuant to GBL §§ 352-e(2-b) and 352(h).

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

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

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

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

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

30) **NOTICES** - Any notices, statements, certificates, requests or demand required or permitted to be given or delivered under this Purchase Agreement shall be in writing and may be sent by mail, overnight courier or personal delivery, addressed to Purchaser or to Seller, as the case may be, at their respective addresses shown at the beginning of this Purchase Agreement, or to such other address as Purchaser or Seller may designate in the manner herein provided, or to their respective attorneys. Such notice, statement, certificate, request or demand shall be deemed to have been given

(a) when delivered to an overnight courier service, if sent by overnight courier,

(b) upon personal delivery actually being made, and

(c) upon receipt or first refusal of delivery or inability of delivery after delivery to the United States Post Office with proper postage prepaid, if sent by regular mail, registered or certified mail return receipt requested.

Notwithstanding the foregoing, any notice of default must be delivered only by overnight courier service, personal delivery, or certified mail return receipt requested.

29) **PURCHASER GENERAL REPRESENTATIONS -** Purchaser represents that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates, written or oral, of any nature whatsoever, made by Sponsor, or otherwise, including but not limited to, any of the above relating to the description or physical condition of a Condominium building or the Unit or the Property, the size or the dimensions of the Unit or the rooms therein contained or any physical characteristics thereof, the services offered by the Condominium, the estimated Common Charges for the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the Purchase of the Unit, the potential for future profit with respect to the Unit, any future appreciation in value of the Property, the Condominium building or the Unit, any rental income potential, depreciation or investment potential with respect to the Property, the Condominium building or the Unit, any monetary or financial advantage with respect to the Property, the Condominium building or the Unit, or any other data, the environmental and/or flood plan conditions affecting the Condominium building, the availability of liability, casualty and flood insurance or the cost thereof, the costs of ongoing maintenance and repair of the Condominium building or any other matter or estimate not set forth herein and in the Plan. Purchaser further represents that Purchaser has not relied on any verbal or written representations made by the Broker or any other agent of Seller. No person has been authorized to make any representation on behalf of Sponsor except as herein or in the plans specifically set forth. Purchaser further acknowledges having had full opportunity to examine all documents and investigate all facts referred to and stated herein and in the Plan. Purchaser has relied solely on his own judgment and investigation in deciding to enter into this Purchase Agreement and purchase of the Unit. No oral representations or statements shall be considered a part of this Purchase Agreement, and any current or prior oral statements are void and have no effect. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. Purchaser agrees that the Seller shall have no liability or responsibility to Purchaser and that Purchaser will not be relieved from his or her obligations hereunder, by reason of any inaccuracy or error in the layout or dimensions of the Unit or any part thereof, or of the Common Elements, and (2) any immaterial or insubstantial accuracy or error. Purchaser agrees that a change in the square foot area and dimensions of the Unit due to the failed conditions, construction variances and tolerances, which do not increase or decrease the square foot area of the Unit by more than 5% (excluding interior partitions), shall not be deemed a material or adverse change the provisions of this

paragraph shall survive the closing of title or the termination of this Purchase Agreement. Purchaser understands and acknowledges that the Seller cannot guarantee a firm completion and availability date for the Unit and agrees that the Seller shall not be obligated to make, provide or compensate for any accommodations or costs

to Purchaser as a result of construction delays nor shall such delays serve to cancel, amend or diminish any of Purchaser's obligations hereunder.

30) **ACKNOWLEDGMENT THAT THERE ARE NO OTHER UNDERSTANDINGS** - All prior understandings and agreements are hereby superseded and merged into this Purchase Agreement, which alone contains the final and entire understanding and agreement between Seller and Purchaser. Neither Seller nor Purchaser shall be bound by any terms, conditions, statements, or representations, oral or written, not set forth in this Purchase Agreement or in the Offering Plan. Purchaser acknowledges that Purchaser is buying a Unit in a condominium development which may not yet have been formed at the time this Purchase Agreement is signed, and that, except as stated in this Purchase Agreement, the Declarations, By-Laws, Exhibits, Schedules and Plan, Purchaser has not relied on any representations or other statements of any kind or nature made by Seller or anyone else except as set forth in the Plan or any amendment thereto and this Purchase Agreement, including but not limited to, the description, size or dimensions of the Unit or rooms therein, or the estimated common charges, or other expenses relative thereto.

Purchaser also acknowledges that none of Seller's representatives has the authority to modify this Purchase Agreement or to make any oral promise, agreement or representation inconsistent or contrary to the terms of this Purchase Agreement. This Purchase Agreement may be changed only by a written document signed by both Purchaser and Seller's Authorized Agent. The invalidity or unenforceability of any particular provision of this Purchase Agreement will not affect the other provisions, and this Purchase Agreement will be interpreted in all respects as if such unenforceable provisions were omitted.

31) **RISK OF LOSS** - The risk of loss or damage to the Unit by fire or any other cause until delivery of the deed is assumed by Seller. In the event a substantial portion of the Unit or Condominium shall be destroyed or damaged prior to Closing, Seller shall be entitled to cancel this Purchase Agreement by written notice to Purchaser, together with a check in the amount of the Downpayment paid by Purchaser, with interest, if any; however, Purchaser will not receive a refund of any funds paid for Extras. The parties shall thereafter be released from any further liability hereunder.

If any part of the Unit is damaged or destroyed by any casualty prior to Closing, Seller will have the option to restore the Unit to its previous condition as soon as reasonably possible. In the event Seller elects to restore the Unit, then the Closing Date and any other applicable date or deadline will be extended in a reasonable manner by Seller. Seller agrees to notify Purchaser of Seller's decision within ten (10) business days of the date of such casualty. In the event Seller elects not to restore the Unit, then this Purchase Agreement will terminate and Purchaser will receive a full refund of all monies paid to Seller. The parties shall thereafter be released from any further liability hereunder.

32) **DAMAGE TO PUBLIC IMPROVEMENTS, AMENITIES AND COMMON ELEMENTS** - Purchaser shall repair and/or restore to their original condition and standards any public improvement, amenity or Common Elements on the Property damaged by Purchaser or Purchaser's agents, employees, contractors or licensees. Upon failure of Purchaser to complete such repair and/or restoration work within thirty (30) days after written notice from Seller, then and in that event, Seller may complete same at the expense of Purchaser who shall reimburse Seller for the cost thereof immediately upon demand. This Paragraph shall survive Closing and delivery of the deed.

33) **STRICT COMPLIANCE; SEVERABILITY; WAIVER OF TRIAL BY JURY** - Any failure by Seller to insist upon strict performance by Purchaser of any of Purchaser's obligations under this Purchase Agreement shall not be deemed a waiver of such obligations, and Seller may at any time insist upon strict performance by Purchaser of any and all obligations to be performed by Purchaser under this Purchase Agreement irrespective of the number of times Purchaser failed to strictly comply with such obligations in the past. If any part of this Purchase Agreement or the Plan is invalid or unenforceable with respect to a particular individual or circumstance, the remainder of this Purchase Agreement or the Plan and the applicability to other individuals or circumstances shall not be affected thereby but shall continue in full force and effect. Purchaser waives all rights to trial by jury in any action, proceeding or counterclaim in any way arising out of or relating to this Purchase Agreement or the Plan. Purchaser agrees to pay all court fees, including reasonable attorney fees, should Purchaser bring an action against Seller in any court of proper jurisdiction (including small claims court) and be unsuccessful. Further Purchaser agrees to waive the right to file a Lis Pendens if not filed within sixty (60) days of the cancellation of this Purchase Agreement.

Purchaser and Seller hereby waive trial by jury in any action, proceeding or counterclaim arising out of this Purchase Agreement, provided such waiver is not prohibited by any laws of the State of New York. Any action or proceeding brought by either party hereto against the other, directly or indirectly, arising out of this Purchase

Agreement, shall be instituted in a court in Kings County and all motions in any such action shall be made in Kings County.

This Paragraph shall survive Closing and delivery of the Deed.

34) **LIEN OF DEPOSIT** - All sums paid on account of this Purchase Agreement are hereby made liens upon the Unit, but such liens shall not continue after default by the Purchaser under this Purchase Agreement.

35) **MISCELLANEOUS:**

(a) The start of any activity by Seller in connection with the Unit is not to be deemed a waiver of any of Seller's rights under this Purchase Agreement.

(b) The personal property referred to in this Purchase Agreement shall be deemed conveyed by the deed, and no part of the Purchase Price shall be deemed allocated to such personal property.

(c) The attorneys representing the Seller or any Lender represent such parties only and not the Purchaser. The Purchaser may retain independent counsel at Purchaser's own expense in order to protect Purchaser's own interest.

(d) The delivery of the deed for the Unit to Purchaser or Purchaser's representative at Closing shall be deemed to mean that all things required to be done by Seller under this Purchase Agreement have been done and that Purchaser shall not claim otherwise except as to those things, if any, which are specifically stated in this Purchase Agreement or in a separate writing signed by Seller or Seller's attorney on Seller's behalf, to survive or continue beyond Closing or delivery of the deed.

(e) The paragraph headings set forth in this Purchase Agreement are inserted solely for convenience of reference and in no way deemed to affect, amend, define, describe or limit the scope or intent of the provisions set forth in this Purchase Agreement.

(f) No provision of this Purchase Agreement may be changed, waived, discharged, or terminated orally, by telephone, or by any other means, except an instrument in writing signed by the party against whom enforcement of such change, waiver, discharge, or termination is sought and then only to the extent set forth in such instrument.

(g) Any singular word or term herein shall also be read as in the plural whenever the sense of this Purchase Agreement may require it. The use of the masculine gender shall be deemed to refer to the feminine gender, or neuter, whenever the context so requires.

(h) If two (2) or more persons are named as Purchaser in this Purchase Agreement, (i) each person shall be jointly and severally liable for payment, observance and performance of all obligations under this Purchase Agreement and (ii) anyone of them is hereby made agent for the other in all matters of any and every kind or nature with respect to the Unit and/or this Purchase Agreement. The act, assent, election or approval by one shall conclusively constitute the act, assent, election and approval by all.

(i) The provisions of this Purchase Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Seller and its successors and assigns.

(j) This Purchase Agreement shall not be binding or effective until fully executed and delivered by Seller and Purchaser.

(k) Seller represents that its Federal Employer Identification Number is _____; and Purchaser represents that his/her/their social security number(s) is _____ and _____.

(l) In the event any portion of this Purchase Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion shall be deemed severed from this Purchase Agreement and the remaining parts hereof shall remain in full force and effect, as fully as

though such invalid, illegal or unenforceable portion had never been part of this Purchase Agreement.

(m) The parties agree that this Purchase Agreement shall be governed by, and construed in accordance with the laws of the State of New York.

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

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

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

Smoking is PROHIBITED within individual Units and on the terraces, balconies, patios and yards attached to individual Units.

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

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

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

**37) NOTICES TO PURCHASER - WHEN SIGNED BY SELLER AND PURCHASER (OR PURCHASER'S AUTHORIZED AGENT), THIS PURCHASE AGREEMENT WILL BECOME A LEGALLY BINDING AGREEMENT. PURCHASER SHOULD MAKE SURE THAT ALL PROVISIONS ARE READ AND UNDERSTOOD BEFORE SIGNING. IF PURCHASER DOES NOT UNDERSTAND ANY PROVISION, PURCHASER SHOULD SEEK LEGAL ADVICE.**

**PURCHASER MUST BE GIVEN A COPY OF THE PLAN PRIOR TO THE SIGNING OF THIS PURCHASE AGREEMENT. BY SIGNING THIS PURCHASE AGREEMENT, PURCHASER ACKNOWLEDGES RECEIPT OF THE OFFERING PLAN AND THAT PURCHASER HAS HAD AN OPPORTUNITY TO READ THE OFFERING PLAN AT LEAST THREE (3) BUSINESS DAYS PRIOR TO SIGNING THIS PURCHASE AGREEMENT.**

IN WITNESS WHEREOF, the parties hereto have executed this Purchase Agreement as of the date first above written.

**PURCHASERS:**

_____
Signature

**SPONSOR**
**259 22ND STREET LLC**

By:_____

**ESCROW AGENT**
**MORITT HOCK & HAMROFF LLP**

_____
Signature

By:_____

RIDER TO PURCHASE AGREEMENT DATE, 20__ BY AND BETWEEN 259 22nd Street LLC AS SELLER, AND _____, AS PURCHASER.

**LIMITED WARRANTY**

NAME OF PURCHASER(S): _____

ADDRESS OF PURCHASER(S): _____

_____

DESIGNATION OF RESIDENTIAL UNIT WARRANTED: _____

NAME OF SELLER: 259 22nd Street LLC

ADDRESS OF SELLER: 100 Jericho Quadrangle, Suite 220
Jericho, New York 11753

EFFECTIVE DATE OF THIS LIMITED WARRANTY: The date that Purchaser or its family shall first occupy the Residential Unit warranted or the date of delivery of the deed to such Residential Unit to Purchaser, whichever occurs first.

SELLER'S LIMIT OF TOTAL LIABILITY: In no event shall the Seller's total liability to Purchaser under this Limited Warranty exceed fifty thousand ($50,000) dollars, less any insurance proceeds received by Purchaser (the "Maximum Liability of Seller").

**THIS LIMITED WARRANTY EXCLUDES AND PRECLUDES ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL, AND INDIRECT DAMAGES.**

**THIS LIMITED WARRANTY IS IN LIEU OF AND REPLACES ALL OTHER WARRANTIES ON THE CONSTRUCTION AND SALE OF THE RESIDENTIAL UNIT AND ITS COMPONENTS, BOTH EXPRESS AND IMPLIED (INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE). THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF. THE PURPOSE OF THIS LIMITED WARRANTY IS TO IDENTIFY THE SELLER'S RESPONSIBILITIES FOR CONSTRUCTION DEFECTS OF A LATENT OR HIDDEN NATURE THAT COULD NOT HAVE BEEN FOUND OR DISCLOSED ON FINAL INSPECTION OF THE RESIDENTIAL UNIT.**

1. To Whom Given. This Limited Warranty is given to the Purchaser named on page I while the Purchaser owns the Residential Unit. IT DOES NOT EXTEND TO SUBSEQUENT OWNERS, HEIRS, TENANTS OR MORTGAGEES IN POSSESSION OF THE RESIDENTIAL UNIT, ANY ONE WHO MAY SUCCEED TO THE RIGHTS OF PURCHASER OR ANY OTHER PERSONS.

2. By Whom Made. This Limited Warranty is made exclusively by the Seller whose name and address appear on page 1.

3. Final Inspection of the Residential Unit. Before the Purchaser moves into the Residential Unit or accepts the deed, the Seller will schedule an appointment for final inspection of the Residential Unit with the Purchaser. The purpose of this final inspection is to discover any defects of a visible, obvious or patent nature, or any other unfinished work.

All defects found on final inspection of the Residential Unit will be itemized on a Final Inspection Sheet, which will be signed by the Purchaser and the Seller before occupancy of the Residential Unit or delivery of the deed.

4. Warranty Coverages and Periods. The Warranty Period for all of the following coverage begins on the Effective Date of this Warranty shown on page 1 of this warranty.

**FIRST YEAR BASIC COVERAGE**: for one year from the Effective Date of this warranty, the Residential Unit will be free from latent defects that constitute:

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

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

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

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

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

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

The Plumbing System refers to the gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system.

The Electrical System refers to all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

The Heating, Cooling and Ventilation System refers to all duct work, steam, water and refrigerant lines, registers, convertors, radiation elements and dampers.

Except by reason of a defect in installation by Seller, this major system coverage does not include defects in appliances, fixtures and items of equipment.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

**SIX YEAR MAJOR STRUCTURAL DEFECT COVERAGE**: for six years from the Effective Date of this warranty, the Residential Unit will be free from latent Major Structural Defects that result from:

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

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

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

A Major Structural Defect is a defect resulting in actual physical damage to the following load-bearing portions which affects their load-bearing functions to the extent that the Residential Unit becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

Damage to the following non-load bearing portions of the Residential Unit are not covered by this six-year coverage: roofing and sheathing; drywall and plaster; exterior

siding; brick, stone and stucco veneer; floor covering material; wall tile and other wall coverings; non-load bearing walls and partitions; concrete floors in attached garages and basements that are built separately from foundation walls or other structural elements of the Residential Unit; electrical, plumbing, heating, cooling and ventilation systems; appliances, fixtures and items of equipment; paint; doors and windows; trim; cabinets; hardware; and insulation.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

In all coverages under this Paragraph 4, workmanship, materials, design and installation will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the applicable building code of the municipality in which the Residential Unit is located, in effect on the date that the building permit for the Residential Unit was issued, as supplemented by the annexed locally accepted building standards and practices.

ALL TIME PERIODS FOR THESE COVERAGES ARE OF THE ESSENCE AND WILL NOT BE EXTENDED.

5. Exclusions From All Coverages. The following are not covered by this warranty:

(a) patent defects including defects shown on the Final Inspection Sheet and defects which an examination of the Residential Unit prior to the Effective Date of this warranty ought to have revealed;

(b) defects in detached garages and carports; swimming pools and other recreational facilities, if any; driveways; walkways; patios; boundary walls; retaining walls; bulkheads; fences; landscaping (including sodding, seeding, shrubs, trees and plantings); and any other improvements not a part of the Residential Unit itself;

(c) raised butt joints; ridging, scuffing on kitchen cabinet or vanity surfaces; shading variations and fading of natural material on all cabinets, appliances, vanities, doors, fixtures, floors, counter tops, vanity tops and all exterior surfaces; variations of wood grain or staining of kitchen cabinets or vanities; shading variations of the exterior siding staining (on the face surface or grooves), and on fascias from staining; doors and windows sticking because of weather; adjustment of bi-fold doors; chips, scratches, marks, breaks, or other blemishes in windows, window sashes, sliding doors, screens, electric fixtures and globes, woodwork, doors, interior painted surfaces, sinks, tubs, bowls, counter tops, vanity tops and bases, mirrors, hardware, flooring and cabinets; dented appliances; broken screens; minor chips (nicks) to cultured marble floors and counter tops; nail pops; ridging on sheet rock walls; lumber shrinkage; door warpage of

less than 1/4"; warpage and shrinkage of deck wood; normal plumbing, heating and air conditioning noises and paint touch-ups.

(d) defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors and for incidental or consequential damages resulting from such work or materials;

(e) damage caused by the failure by the Purchaser or anyone other than the Seller, its employees, agents or subcontractors, to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or items of equipment;

(f) damage caused by the misuse, abuse, or interference by Purchaser or anyone other than Seller or its employees, agents and subcontractors with the Seller's original construction or installations;

(g) additional damage caused by the failure of the Purchaser to give notice to the Seller of any defects or damage in a timely manner as provided in this warranty;

(h) damage caused by changes in grade made by anyone other than the Seller, its employees, agents or subcontractors and damage caused by changes in grade made by Seller's agents and subcontractors if such work was ordered directly by Purchaser;

(i) damage caused by changes, alterations or additions made to the Residential Unit by anyone other than Seller or its employees, agents or subcontractors after the Effective Date of this warranty;

(j) damage caused by changes, alterations or additions made to the Residential Unit by Seller's agents and subcontractors if such work was ordered directly by Purchaser after the Effective Date of this warranty;

(k) damage caused by dampness or condensation due to the failure of the Purchaser to maintain adequate ventilation;

(l) loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, acts of God, lightning, windstorm, hail, flood, mud slide, earthquake, volcanic eruption, wind-driven water, soil movement and changes in the underground water table;

(m) loss or damage caused by seepage of water unless such loss or damage is the direct result of a construction defect;

(n) any damage which Purchaser has not taken timely action to minimize;

(o) normal wear and tear and normal deterioration;

(p) insect, vermin and/or rodent damage and infestation, or damage caused by other animals or pests;

(q) bodily injury, death, or damage to personal property;

(r) costs of shelter, transportation, food, moving, storage or other expenses related to relocation during repair or replacement;

(s) consequential, incidental, special and indirect damages;

(t) any claim not filed in a manner set forth in paragraph 7 of this warranty;

(u) damage which arises while the Residential Unit is being used for nonresidential purposes; and

(v) damage due to abnormal loading on floors which exceeds design loads as mandated by the applicable building code or building standards.

(w) damage due to ice build-up on the roof.

(x) defects in appliances, fixtures and items of equipment except if caused by defect in installation by Seller.

(y) fading of color of any natural materials in any improvement.

6. What Seller Will do in the Event of a Defect Covered by This Warranty. If a defect occurs in an item covered by this warranty, the Seller will repair, replace, or pay the Purchaser the reasonable cost of repairing or replacing the defective item(s), within sixty (60) days after the Seller's inspection or testing discloses the problem, subject to weather conditions, acts of God, availability of materials, and other events beyond Seller's control. The choice among repair, replacement or payment is solely that of the Seller. In making any repairs or replacements, Seller shall have the right to select the method and materials to be used in performing such repairs or replacements.

Seller's liability under this warranty is limited in the aggregate to the amount listed on page 1 of the warranty.

Repair of damage to the load-bearing portions of the Residential Unit will be limited to that which is necessary to restore their load-bearing function. Repair of other Major Structural Defects will be limited to repair of those defects which made the Residential Unit unsafe, unsanitary or otherwise unlivable.

7. Step by Step Claims Procedures. (a) Written notice of any warranty claim must be made on the attached "Notice of Warranty Claim Form" and must be received by the Seller no later than the tenth (10th) day after the expiration of the applicable warranty period. Such notice must be sent by Purchaser to Seller by certified or express mail, return receipt requested. If this form shall not properly be completed and received by the Seller by that deadline, the Seller will have no duty to respond to any complaint or demand contained in such form, and any or all claims may be rejected. COMPLETION AND DELIVERY OF SUCH NOTICE OF WARRANTY CLAIM IN A TIMELY MANNER IS NECESSARY TO PROTECT THE RIGHTS OF THE PURCHASER UNDER THIS LIMITED WARRANTY.

(b) No steps taken by the Seller, Purchaser or any other person to inspect, test or correct defects will extend any time period under this Warranty. No steps taken by the Seller in response to an improperly completed or untimely notice of a warranty claim will give rise to any liability of Seller to Purchaser in connection with such claim.

(c) In response to a Notice of Warranty Claim, or any other complaint or request of the Purchaser, the Seller and the Seller's agents will have the right to inspect and test the portion of the Residential Unit to which the claim, complaint or request relates. The Purchaser and occupants of the Residential Unit must provide reasonable access to the Seller and the Seller's agents during normal business hours, Monday through Friday, to complete inspection, testing and repair or replacement. Failure by Purchaser to provide such access shall invalidate this warranty with respect to the defect(s) set forth on the Notice of Warranty Claim.

(d) The Seller will complete inspection and testing within a reasonable time under the circumstances after receipt of a timely and properly completed Notice of Warranty Claim Form. Upon completion of inspection and testing, the Seller will determine whether to accept or reject the claim. If the Seller rejects the claim, the Seller will give written notice of that decision to the Purchaser at the address shown on the Notice of Claim Form. If the Seller accepts the claim, the Seller will take corrective action within a reasonable time under the circumstances. The Seller will use good faith efforts to process and handle claims in a timely manner, but all time periods for repair or replacement of defects necessary are subject to weather conditions, availability of materials, and other events beyond the Seller's control.

8. Legal Actions. (a) No claim under this warranty may be commenced or asserted against Seller in any lawsuit unless a properly completed Notice of Warranty Claim Form has been received by the Seller in the time period set forth in paragraph 7 of this warranty.

(b) No lawsuit against the Seller under this warranty may be commenced more than thirty (30) days after the expiration date of the applicable warranty coverage, or thirty (30) days after Seller has given written notice of its rejection of Purchaser's claim

with respect to such claim, or thirty (30) days after Builder has substantially completed corrective action for a defect with respect to such defect.

9. Miscellaneous Provisions. (a) To the extent any coverage under this warranty applies to common elements of a condominium, such coverage shall be deemed given to the Board of Managers of the condominium.

(b) This warranty may not be amended in any way without Seller's prior written consent in each instance.

(c) If any provision of this warranty will not be enforced by an appropriate court, the determination will not affect the enforceability of the remaining provisions.

(d) Use of one gender in this warranty includes the other gender, and use of the plural includes the singular, as may be appropriate.

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

(f) The National Association of Home Builders Building Standards, as they may be amended, establishes the standards by which it will be determined whether the Residential Unit has a problem which is covered by this Limited Warranty and the obligation of the Seller to correct such problem.

**INSTRUCTIONS TO COMPLETE**
**NOTICE OF WARRANTY CLAIM FORM**

To ask the Warrantor to correct a defect in your Residential Unit that you think is covered by the Warrantor's Limited Warranty, you must complete this form and deliver it to the Warrantor. This is necessary to protect your rights to warranty performance under the Limited Warranty.

Describe the defect(s) which you think are covered by the Limited Warranty. Be sure to include when each defect first occurred or when you first noticed it. Use additional sheets, as necessary, to fully describe the problem. If you do not know the answers to any questions, write "Don't know." **Please do not leave any items blank.**

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**NOTICE OF WARRANTY CLAIM FORM**

(We)_____
(insert your name(s))

am the owner of Residential Unit #_____located at _____

_____

My mailing address and office and Residential Unit telephone numbers are as follows:

Address:_____
_____

Office Telephone Number:_____

Residential Unit Telephone Number: _____

I first occupied the Residential Unit as my residence on _____

I closed title to the Residential Unit on _____.

Set forth below are defects in my Residential Unit and the approximate date the defects occurred or I became aware of them:

| NATURE OF DEFECTS | DATE OCCURRED OR FIRST OBSERVED |
| --- | --- |
| | |

_____ _____

(Signature) (Date)

_____ _____

(Signature) (Date)

This completed and signed form must be sent to Warrantor at its address listed on the first page of the Warranty by certified or express mail, return receipt requested.

**FORM FOR THE RELEASE OF ESCROW FUNDS**

Date

Moritt Hock & Hamroff LLP
1407 Broadway, 39th Floor
New York, New York 10018

Re: **Bellrose Condominium**
**Purchaser:**
**Unit #:**

Dear Sirs:

You have been holding in a trust account my/our down-payment for the above-referenced Unit in the amount of $_____. I/we acknowledge that a closing has taken place this date. Accordingly, Moritt Hock & Hamroff LLP is authorized to release the funds being held in said amount to whomever the Sponsor so designates. In addition, Moritt Hock & Hamroff LLP as Escrow Agent on said account, is hereby released from any and all liability or further obligation to us with respect to said down-payment.

Very truly yours,

_____
Purchaser

_____
Sponsor's representative

SCHEDULE D-2

## WAIVER OF NOTICE OF CLOSING

, being duly sworn, does hereby depose and state:

1. I am the Purchaser of Unit # at Bellrose Condominium.

2. Pursuant to a Purchase Agreement dated , 20 , I am entitled to thirty (30) days' written notice of the closing for my Unit.

3. I hereby waive the applicable notice provision contained in the Purchase Agreement and agree to close on , 20 .

_____
Purchaser

Sworn to before me this day
of 20 .

_____
Notary Public

SCHEDULE D-3

# EXPRESS ASSUMPTION OF RISK

I/We _____ understand that by entering onto a construction site, there are extraordinary risks of grave bodily injury and/or death. In consideration for being allowed to enter upon the premises herein, I/we expressly assume all risks associated with the construction site, including but not limited to:

1. Falling debris;
2. Falls associated with excavations, uncleared ice and/or snow incomplete sidewalks and roads and downed trees and/or bushes;
3. Injuries associated with incomplete construction;
4. Injuries associated with operating machinery;
5. Injuries associated with incomplete or no railings; and
6. Injuries associated with incomplete and/or insufficient lighting.

I/We _____ further agree to fully indemnify and hold harmless 259 22nd Street LLC its members, officers, directors, principals, shareholders, successors and assigns for any and all damage to any personal property.

_____

_____

SCHEDULE D-4

# TENDER OF ESCROW DEPOSIT

Date: _____

Tender of Deposit of $_____, for Unit _____ and Parking Space Unit ____ at Bellrose Condominium, located at 259 22nd Street, Brooklyn, New York 11215.

Purchaser named below has tendered on _____, 20__, the above escrow deposit to Sponsor as a deposit for the above Unit and Parking Space Unit.

Purchaser: _____

Address of Purchaser: _____

_____

Phone number of Purchaser:

Cellular: _____

Social Security Number of Purchaser _____

Purchaser's Signature _____

---

## RECEIPT

The SPONSOR of the above named property hereby acknowledges receipt of the above escrow deposit.

259 22ND STREET LLC

By: _____

Date of Receipt: _____

# STORAGE ROOM LICENSE AGREEMENT

**LICENSE AGREEMENT** made as of _____, 20___(this "Agreement") by and between the Board of Managers of Bellrose Condominium, having an address a 259 22nd Street, New York 11105, (the "Board" or the "Licensor"), and _____, having an address at _____ Unit _____, ("Unit Owner" or the "Licensee") and 259 22nd Street LLC, having an address at 100 Quadrangle, Suite 220, Jericho, New York 11753.

**WHEREAS**, Bellrose Condominium (the "Condominium") is governed by that certain Declaration of Condominium dated _____, recorded in the Kings County Office of the Register of the City of New York on _____ under the City Register File Number _____, as the same has been or may be amended from time to time (the "Declaration"), the By-Laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the rules and regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the "Declaration," the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents"); and

**WHEREAS**, in accordance with the terms of the Declaration, the Board is responsible for administration of the Common Elements of the Condominium, including, without limitation the Storage Rooms located in a portion of cellar floor of the Condominium there; and

**WHEREAS**, Unit Owner desires to purchase a license to use the storage Room designated as Storage Room No. _____ (the "Storage Room") for so long as Unit Owner owns a Unit in the Condominium;

**WHEREAS**, Unit Owner simultaneously herewith is purchasing Unit ___ (the "Unit") in the Condominium.

**NOW, THEREFORE**, in consideration of the mutual covenants herein expressed, Licensor, Sponsor and Licensee hereby covenant and agree as follows:

1. Fees. The following are the fees required to be paid by licensee:

(a) License Fee. As of the Effective Date, Licensee shall pay to Sponsor a one-time non-refundable license fee in the amount of _____Thousand and 00/100 ($_____,000) Dollars ("License Fee") for Licensee's use of the Storage Room. The License Fee shall be delivered to Sponsor at Sponsor's address first set forth above.

(b) Security Deposit. Licensee will be required to make a Security Deposit in the amount of $500.00 to the Board of Managers at time of closing on the Unit and execution of the Storage Room License.

(c) Monthly Maintenance Fee. There shall be no monthly fee for maintenance, as indicated on Schedule A-1 of the Offering Plan.

(d) Late Charge. In the event that any payment required to be made by Licensee under this Agreement shall not be received by Licensor on the date such payment is due, Licensee shall pay: (i) a one-time late charge of One Hundred and 00/100 ($100.00) Dollars for each such overdue payment to defray administrative expenses incurred in handling such delinquent payments; and (ii) interest on the overdue amount calculated at the maximum legal rate per annum. Such Late Charge fee does not preclude The Board or Sponsor from any other remedies stated herein and allowed by law.

(e) Legal Fee. Upon the signing of this Agreement, Licensee shall deliver to Moritt Hock & Hamroff, LLP, having an address at 1407 Broadway, 39th Floor, New York, NY 10018, Licensor's legal fee in the amount of One Thousand and 00/100 ($1,000.00) Dollars, made payable to "Moritt Hock & Hamroff, LLP", for the preparation and negotiation of this Agreement.

2. Use of Storage Room; Access to Storage Room.

(a) Subject to and in accordance with the terms and conditions of this Agreement, Licensor hereby grants to Licensee, its successors and assigns, and Licensee hereby accepts from Licensor, an exclusive license (the "License") to use the Storage Room during the term hereof for storage of Licensee's personal property and the property of permitted occupants of the Unit (collectively, the "Permitted Users").

(b) Licensee shall not store or permit anyone else to store in the Storage Room any (i) animals, food or any other perishable, (ii) inflammable, combustible, explosive or other dangerous items, (iii) items which have an objectionable odor or which may spoil or decay or (iv) valuable items the value and/or replacement of which is not reasonably capable of being covered by insurance.

(c) Licensee shall not (i) interfere with the use of a storage Room by any other Unit Owner or Permitted User, (ii) store any property outside the Storage Room, (iii) allow any other person to use the Storage Room except in accordance with the terms of this Agreement, or (iv) deface or damage the Storage Room, the Building or Licensor's equipment. Notwithstanding anything to the contrary contained in this Agreement, Licensee may install racks, shelving or other facilities within the Storage Room, provided that such installation does not damage the structural integrity of the Building, the Storage Room or any other Storage Room. Licensee shall, however, at Licensor's request and at Licensee's sole expense, remove any such installation upon the expiration of the Term or earlier termination of this Agreement.

(d) Licensee shall keep the Storage Room locked with a lock procured by Licensee at Licensee's expense, and shall provide Licensor with a duplicate key. Licensee acknowledges that it is Licensee's responsibility to safeguard the keys and Licensee is fully responsible for whoever has possession of the keys. Licensor shall be entitled to use the duplicate key in its possession to access the Storage Room only in case of emergency as described below or to make repairs that Licensor in its reasonable judgment deems necessary.

(e) Licensee shall have access to the Storage Room 24-hours a day,

seven days a week, subject to the right of Licensor, in its reasonable judgment, to restrict late night access for security reasons.

3. Term. The term (the "Term") of this License shall commence on the date first set forth above and shall continue until the earlier of (i) the date Licensor no longer owns the Unit (subject to the provisions of Section 4 of this Agreement), (ii) the effective date on which Licensee gives Licensor written notice of termination or (iii) the date this Agreement is terminated by Licensor due to Licensee's default or otherwise (as provided herein).

4. Sale or Lease of Residential Unit; Assignment/Sublicense of this Agreement.

(a) The License granted hereunder shall automatically terminate on the date that the Licensee no longer owns the Unit, unless, however, Licensee assigns this License to the approved purchaser or other transferee of the Unit (the "Transferee"), and Transferee assumes same, in accordance with the provisions of this Agreement.

(b) Specifically, if Licensor has waived its right of first refusal with respect to the sale or other conveyance of the Unit, or if Licensor has exercised its right of first refusal, in either case as set forth in the By-laws of the Condominium, and if the assignment of this License to the Transferee was a condition of the applicable sale or other conveyance of the Unit the Licensee may assign this License to the Transferee as part of the sale or other conveyance. Upon execution of an assignment and assumption of this Agreement, Licensee shall provide a fully executed original counterpart of same to Licensor, in form and substance acceptable to Licensor, with ten (10) days of execution thereof.

(c) If Licensee desires to lease the Unit, and if Licensor has waived its right of first refusal (or has exercised such right) in connection with the proposed lease, the Licensee may sub-license this License to the tenant to whom the Unit is/are being leased. Upon execution of a sub-license of this Agreement, Licensee shall provide a fully executed original counterpart of same to Licensor, in form and substance acceptable to Licensor, within ten (10) days of execution thereof.

5. Removal of Property in Storage Room upon Expiration of Term. In the event this Agreement expires or is terminated, Licensee shall vacate and surrender possession of the Storage Room, broom clean, in the condition as existed on the date of commencement of this Agreement. Licensee's obligation to observe or perform this covenant shall survive the expiration or other termination of this Agreement. Any property not removed from the Storage Room at the expiration or other termination of this Agreement shall be considered abandoned and may, at Licensor's option, be retained as Licensor's property or disposed of at Licensee's sole cost and expense, in either case without any liability to Licensee or anyone else.

6. Indemnity. Licensee shall indemnify and save harmless Licensor and Licensor's agent against and from any and all liability, loss, damage and expense (including without limitation, attorney fees, and expenses) arising from injury to person and property occasioned by Licensee's negligence or failure of Licensee to comply with any provisions in this Agreement, or due wholly or in part to any act, default or omission

of the Licensee, any Permitted Users or any other person using the Storage Room, or by Licensor, its agents, servants or contractors when acting as an agent for the Licensee. The provisions of this paragraph 6 shall survive the expiration or other termination of, or the sub-license of, this Agreement.

7. Risk of Loss. Neither Licensor nor its agents or employees shall be liable for any damage to or theft or other loss of any property stored in the Storage Room, unless due to the negligence of Licensor. Licensee understands that the Licensor intends to leave the storage area in which the Storage Room is located unattended and accordingly, Licensee stores property in the Storage Room at Licensee's own risk, including, without limitation, the possibility that the Storage Room may be damp or have water infiltration. Licensor undertakes only to act as a Licensor, and under no circumstances shall Licensor or its agents be deemed to act as Licensee's bailee.

8. As Is Condition. Licensee represents that it has made a thorough inspection of the Storage Room and agrees to take same in its condition "as is" as of the commencement of this Agreement. Licensee shall, throughout the Term of this Agreement, take good care of the Storage Room.

9. Services by Licensor. Licensor shall not provide any services to the Storage Room or to Licensee in connection with storage of property in the Storage Room, except lighting in the area in which the Storage Room is located and elevator service to that floor and periodic cleaning of the storage area in which the Storage Room is located. Licensee shall keep the interior of the Storage Room clean.

10. Changes to Be in Writing. This Agreement may not be modified except by a writing signed by the party to be charged.

11. Licensee's Default. If Licensee shall default in fulfilling any of its covenants or obligations hereunder, in addition to any other rights and remedies available to Licensor under the Declaration or otherwise, Licensor may (i) deny access to the Storage Room until Licensee cures such default, or (ii) terminate this Agreement by the giving written notice to Licensee, whereupon this Agreement shall terminate on the date set forth in such notice.

12. Compliance with Laws. Licensee shall, at all times, use the Storage Room and permit the Storage Room to be used only in a matter which is in full compliance with all present and future laws, orders, rules and regulations of all state, federal, municipal and local governments, departments, commissions and boards (including the New York Board of Fire Underwriters or any similar body) asserting jurisdiction therefor, or any direction of any public officer pursuant to law, including, without limitation, the police and fire departments of the city of New York, which may require the removal or destruction of items stored in the Storage Room. Licensee, its servants, employees, agents, visitors and Licensee shall observe faithfully and comply strictly with the Condominium Documents and any and all rules and regulations promulgated by Licensor.

13. Access. Licensor or its agents shall have the right (but not the obligation), without liability to Licensor, to open the Storage Room in an emergency in order to protect the health and safety of Building, its residents and their property, and at other reasonable times, to inspect and examine the same and to make such repairs, replacements and

improvements as Licensor shall deem necessary or desirable to the Storage Room or any portion of the Building, all without any liability to Licensee whatsoever as a result thereof.

14. No Waiver. The failure of Licensor to seek redress for violation of, or to insist upon the strict performance of any covenant or condition of this Agreement or of any of the rules or regulations adopted by Licensor, shall not be deemed a waiver of such right and shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effort of an original violation.

15. Assignment. Notwithstanding anything to the contrary set forth herein, in the event Licensee desires to assign this Agreement, such assignment shall comply with the then requirements of Licensor to effectuate such assignment, including, without limitations, the obligation of the assignee to enter into a new license agreement directly with Licensor.

16. Definitions. All capitalized items used in this Agreement and not defined herein shall have the same meanings ascribed to them in the Declaration.

17. Successors and Assigns. This agreement shall inure to the benefit of and be binding upon the heirs, executors, successors and assigns of Licensor and Licensee.

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

THE BOARD OF MANAGERS OF
BELLROSE CONDOMINIUM UNIT OWNER(S):

By:_____ _____

Name: _____ _____

Title: _____

**Property Address:**
Bellrose Condominium
259 22nd Street
Brooklyn, New York 11215

Lot: _____
Unit No.: _____

## POWER OF ATTORNEY

**CAUTION TO THE PRINCIPAL:** Your Power of Attorney is an important document. As the "principal," you give the person whom you choose (your "agent") authority to spend your money and sell or dispose of your property during your lifetime without telling you. You do not lose your authority to act even though you have given your agent similar authority.

When your agent exercises this authority, he or she must act according to any instructions you have provided or, where there are no specific instructions, in your best interest. "Important Information for the Agent" at the end of this document describes your agent's responsibilities.

Your agent can act on your behalf only after signing the Power of Attorney before a notary public.

You can request information from your agent at any time. If you are revoking a prior Power of Attorney by executing this Power of Attorney, you should provide written notice of the revocation to your prior agent(s) and to the financial institutions where your accounts are located.

You can revoke or terminate your Power of Attorney at any time for any reason as long as you are of sound mind. If you are no longer of sound mind, a court can remove an agent for acting improperly.

Your agent cannot make health care decisions for you. You may execute a "Health Care Proxy" to do this.

The law governing Powers of Attorney is contained in the New York General Obligations Law, Article 5, Title 15. This law is available at a law library, or online through the New York State Senate or Assembly websites, www.senate.state.ny.us or www.assembly.state.ny.us.

If there is anything about this document that you do not understand, you should ask a lawyer of your own choosing to explain it to you.

I (We) residing at _____ ("Principal") the owner of Condominium Unit No. ___ in the Condominium known as Bellrose Condominium, covering the property located in the Borough and County of Kings, City and State of New York, do hereby nominate, constitute and appoint the Members of the Board of Managers of Bellrose Condominium c/o 259 22nd Street LLC , 100 Quadrangle Suite 220, Jericho, New York 11753 and their successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on my behalf to acquire, in their own name or in the name of their designee by deed on behalf of all owners of Condominium Units in said property, any Condominium Unit whose owner desires to abandon the same, or which shall be the subject of a foreclosure sale or in lieu of a foreclosure sale, at such price and on such terms as my said attorneys-in-fact shall, in their sole discretion deem proper and thereafter to convey, sell, lease, sublease, mortgage, vote or otherwise deal in such Condominium Unit so acquired, at such terms as my attorneys-in-fact may in their sole discretion determine, granting to my said attorneys-in-fact the power to do all things in the said premises which I could do if I were personally present.

I (We) do further hereby nominate, designate, constitute and appoint the Members of the Board of Managers of Bellrose Condominium and their successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on my behalf, the right to act in my behalf to take any and all action necessary against any tenant(s) that may be residing in my Residential Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of Bellrose Condominium.

I (We) do hereby further irrevocably nominate, constitute and appoint 259 22nd Street LLC, 100 Quadrangle Suite 220, Jericho, New York 11753, and its successors, my true and lawful attorneys-in-fact coupled with an interest in my name and on my behalf to vote at any Unit Owners meeting for, and to file an amendment to the Declaration of Condominium of Bellrose Condominium permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units, as built, and to amend any Filed Map or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Eleventh, Section (c) of the Declaration of Condominium of Bellrose Condominium.

Terms used in this Power of Attorney, which are used in the Declaration submitted by 259 22nd Street LLC establishing a Plan for Condominium Ownership of the premises known as Bellrose Condominium under the Condominium Act (the “Declaration”), dated _____, 20__ and recorded in the Kings County Register’s Office on _____, 20__ as CRFN _____ together with the Exhibits attached thereto, shall have the same meanings herein as in the Declaration.

This document does not revoke any power of attorney I/we have previously executed. In order to revoke a prior power of attorney, I/we will execute a revocation specifically referring to the power to be revoked.

Notwithstanding anything set forth herein to the contrary, this power of attorney is irrevocable and shall not be revoked by any subsequent power of attorney I/we may execute.

Whenever two or more powers of attorney are valid at the same time, the agents appointed on each shall act separately, unless specified differently in the documents.

IN WITNESS WHEREOF, I (we) have set my (our) hand(s) and seal this day of , 20__.

_____

_____

STATE OF NEW YORK )
:ss
COUNTY OF )

On the day of in the year 20__, before me, the undersigned, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

STATE OF NEW YORK )
:ss
COUNTY OF )

On the day of in the year 20__, before me, the undersigned, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

**IMPORTANT INFORMATION FOR THE AGENTS:**

When you accept the authority granted under this Power of Attorney, a special legal relationship is created between you and the principal. This relationship imposes on you legal responsibilities that continue until you resign or the Power of Attorney is terminated or revoked. You must:

1. act according to any instructions from the principal, or, where there are no instructions, in the principal's best interest;

2. avoid conflicts that would impair your ability to act in the principal's best interest;

3. keep the principal's property separate and distinct from any assets you own or control, unless otherwise permitted by law;

4. keep a record or all receipts, payments, and transactions conducted for the principal; and

5. disclose your identity as an agent whenever you act for the principal by writing or printing the principal's name and signing your own name as "agent" in either of the following manner: (Principal's Name) by (Your Signature) as Agent, or (Your Signature) as Agent for (Principal's Name).

You may not use the principal's assets to benefit yourself or give major gifts to yourself or anyone else unless the principal has specifically granted you that authority in this Power of Attorney or in a Statutory Major Gifts Rider attached to this Power of Attorney. If you have that authority, you must act according to any instructions of the principal or, where there are no such instructions, in the principal's best interest. You may resign by giving written notice to the principal and to any co-agent, successor agent, monitor if one has been named in this document, or the principal's guardian if one has been appointed. If there is anything about this document or your responsibilities that you do not understand, you should seek legal advice.

**Liability of agent:**

The meaning of the authority given to you is defined in New York's General Obligations Law, Article 5, Title 15. If it is found that you have violated the law or acted outside the authority granted to you in the Power of Attorney, you may be liable under the law for your violation.

**AGENT'S SIGNATURE AND ACKNOWLEDGMENT OF APPOINTMENT:** It is not required that the principal and the agents sign at the same time, nor that multiple agents sign at the same time.

I, _____, Member of 259 22nd Street LLC, have read the foregoing Power of Attorney. 259 22nd Street LLC, is one of the entities identified therein as agent for the principal named therein. On behalf of 259 22nd Street LLC, I acknowledge my/our legal responsibilities.

Agent(s) sign here:

259 22nd Street LLC

By: _____

STATE OF NEW YORK )
:ss
COUNTY OF )

On the day of in the year 20__, before me, the undersigned, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

**AGENT'S SIGNATURE AND ACKNOWLEDGMENT OF APPOINTMENT:** It is not required that the principal and the agents sign at the same time, nor that multiple agents sign at the same time.

I, _____ of the Board of Managers of Bellrose Condominium have read the foregoing Power of Attorney. The Board of Managers Bellrose Condominium is one of the entities identified therein as agent for the principal named therein. On behalf of the Board of Managers, I acknowledge our legal responsibilities.

Agent(s) sign here:

BOARD OF MANAGERS OF BELLROSE CONDOMINIUM

By: _____

STATE OF NEW YORK )
:ss
COUNTY OF )

On the day of in the year 20__, before me, the undersigned, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

# POWER OF ATTORNEY

_____

to

Board of Managers of Bellrose Condominium

and

259 22ND STREET LLC
Unit ___

100 Quadrangle Suite 220
Jericho, New York 11753

Block _____
Lot _____
County of Kings

**Record and Return to:**

Moritt Hock & Hamroff LLP
1407 Broadway 30th Floor
New York, New York 10018

# DEED

THIS INDENTURE made the day of , 20__ between 259 22nd Street LLC, a New York Limited Liability Company, having a place of business at 100 Quadrangle, Suite 220 Jericho, New York 11753 Party of the First Part and

Party of the Second Part;

## W I T N E S S E T H

That the Party of the First Part, in consideration of Ten Dollars ($10.00), lawful money of the United States, and other good and valuable consideration, paid by the Party of the Second Part, does hereby grant and release unto the Party of the Second Part, the heirs or successors and assigns of the Party of the Second part forever,

All that certain piece or parcel of real property, with the improvements therein contained, situate and being a Condominium Unit (the "Residential Unit") in Kings County, City and State of New York, known as Residential Unit No. _____ together with Parking Space Unit ___ (if applicable) in the Condominium known as 103 Condominium, said Residential Unit designated and described as Residential Unit No. ___ and said Parking Space Unit designated and described as Parking Space Unit No. ___ (if applicable), in the Declaration establishing a plan for Condominium Ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "New York Condominium Act"), dated and recorded in the Office of the City Register, Queens County (the "Register's Office") on _____in Reel _____page _____ and also designated as Tax Lot _____ in Block _____ of Section ____ of Kings County on the Tax Map of the Real Property Assessment Department of the City of New York, and on the Floor Plan of said building certified by _____on _____and filed with the Real Property Assessment Department of the City of New York on _____as Condominium Plan No. _____, and also filed in the Register's Office on _____ as Condominium Plan No. _____, Map No. _____.

**TOGETHER** with an undivided _____% (combined Residential and Parking Space Units, if applicable) interest in the Common Elements.

The premises within which the Residential Unit is located are more particularly described as follows:

(PROPERTY DESCRIPTION)

**TOGETHER** with the appurtenances and all the estate and rights of the Party of the First Part in and to said premises.

**TOGETHER** with the benefits, rights, privileges, easements and subject to the burdens, covenants, restrictions, by-laws, regulations and easements all as set forth in the Condominium Documents filed and recorded as aforesaid.

**SUBJECT TO:** The provisions of the Declaration, By-Laws, site plan and floor plans of the Condominium as the same may be further amended from time to time by instruments recorded or filed in the Register's Office of the City of New York, Queens County, which provisions, together with any amendments thereto shall bind any person having at any time any interest or estate in the Residential Unit, as though such provisions were recited at length herein.

**TO HAVE AND TO HOLD** the premises herein granted unto the Party of the Second Part, the heirs or successors and assigns of the party of the second part forever.

**AND** the party of the First Part covenants that the party of the First Part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

**AND** the Party of the First Part, in compliance with Section 13 of the Lien Law, covenants that the Party of the First Part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for purpose of paying the cost of the improvement before using any part of the total of the same for any other purposes.

The use for which the Residential Unit is intended is that of a one family residence or non-residential use, subject to the applicable governmental regulations and the restrictions contained in the Declaration.

The use for which the Parking Space Unit is intended is that of a parking space for automobiles, subject to the applicable governmental regulations and the restrictions contained in the Declaration.

This conveyance is made in the regular course of business actually conducted by the Party of the First Part.

The word "Party" shall be construed as if it read "Parties" whenever the sense of this indenture so requires.

**IN WITNESS WHEREOF**, the Party of the First Part has duly executed this deed and the Party of the Second Part has duly assumed the mortgage therein referred to, the day and year first above written.

**259 22ND STREET LLC**

By:_____

STATE OF NEW YORK )
) ss.:
COUNTY OF )

On the ____ day of _____ in the year 20__, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his or her signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

**ARCHITECT'S REPORT**

**BELLROSE CONDOMINIUM**

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

April 28, 2026

## SECTION 20.7: DESCRIPTION OF PROPERTY AND SPECIFICATIONS

### (a) LOCATION AND USE OF PROPERTY

(1) Address:

The building will be located at 259 22nd Street in the Greenwood Heights Section of the Borough of Brooklyn, County of Kings, City and State of New York in zip code 11215.

(2) Block and lot number:

The site will be located on Tax Lot number 14 in Tax Block number 897.

(3) Zoning:

The site is located in an R6B Zone as designated on Map number 16d of the 1961 Zoning Resolution. The building is a Quality Housing project located in New York City. The Quality Housing Program consists of four components: neighborhood impact, building interior, recreation space and planting, and safety and security. The building complies with Quality Housing requirements as per plans submitted and approved by the NYC Department of Buildings.
Applicable elements that comply with the Quality Housing program are listed as follows: One street tree for every 25 feet of street frontage of the zoning lot: six street trees required, three shall be planted on site and three to be paid into NYC Parks Tree Fund.

All dwelling units shall have minimum area of 400 sq.ft.: proposed min. dwelling unit provided is 578 sq.ft.

All windows to be double glazed: proposed windows comply.

Developments with nine or more dwelling units per vertical circulation core shall have a refuse room with 2.9 cubic ft. per dwelling unit but not less than 12 sq.ft. with no dimension less than 3'-0". Maximum of 12 sq.ft. shall be excluded from floor area: refuse roof provided at each floor level.

Laundry facilities with a minimum of one washing machine per 20 dwelling units and one dryer per 40 dwelling units: 1 of each per dwelling unit provided.

Developments with nine or more dwelling units per vertical circulation core shall provide at least the min. amount of recreation space as follows 3.3% (r6 & r7) / 2.8% (r8, r9 & r10) of total residential area: recreation space provided on roof.

Planting area between the street line and the street wall shall be planted except at the entrances to and exits from the building. Building is on front property line, no planting required.

This property and proposed use will comply with all zoning and use requirements at closing.

The building and units are designed within the requirements of all applicable federal, state, and local code and regulation governing accessibility to the disabled including the ADAAG standard and local law 58/87. All Units shall be handicapped adaptable units and shall comply with ADA requirements.

Adaptable dwelling units shall be equipped with door widths and clear floor spaces for possible occupants with physical disabilities. Adaptable spaces within dwelling units shall include kitchens and bathrooms and their respective doorways.

(4) Permissible Use:

The Zone permits Residential use as of right. There is a Zoning Lot Development and Easement Agreement recorded CRFM# 2024000256315. This property and proposed use will comply with all zoning and use requirements at closing.

The building and units are designed within the requirements of all applicable federal, state and local code and regulation governing accessibility to the disabled including the ADAAG standard and local law 58/87.

**(b) STATUS OF CONSTRUCTION**

(1) Year built:

The building is a proposed new building and is 95% substantially complete and a Final Certificate of Occupancy for the new building will be issued when the work is completed to the satisfaction of the New York City, Department of Buildings. The start date for the building was 5/06/2025. The estimated date of completion is June 2026.

(2) Class of construction:

The Class of Construction will be IB as described by Table 601 of the 2014 New York City Building Code. The structural support members will consist of non-combustible materials with a minimum fire protection rating of two hours. Structural floor / ceiling and roof / ceiling assemblies shall also be of non-combustible materials with a minimum rating of two hour.

(3) Certificate of Occupancy, type and number:

The building is currently under construction and a Final Certificate of Occupancy for the new building will be issued when the work is completed to the satisfaction of the New York City, Department of Buildings. Temporary Certificate of Occupancy or Final Certificate of Occupancy has not been issued.
The Sponsor shall obtain a Final Certificate of Occupancy prior to the closing of the first unit or at a point in time as specified in the Offering Plan.

(4) Permit numbers and description of work done:

The building is being constructed as per plans which were filed with and approved by the Brooklyn Office of the N.Y. City Department of Buildings. The building plans have been assigned Department of Buildings application number B01067616. A permit number B01067616-I1-GC has been issued by the N.Y. City Department of Buildings for the construction of the new building.

**(c) SITE**

(1) Size:

The site is located on the Northeasterly side of 22nd Street distance 125'-0" Southeasterly from the corner formed by the Southerly side of 5th Avenue and Northeasterly side of 22nd Street. The site has a frontage of 157'-6" along 22nd Street and extends to a depth of 90'-2 ½" perpendicular to the 22nd Street property line. The site has an area of approximately 14,206 square feet.

(2) Number of buildings and use:

There will be one building constructed with forty (40) residential units, parking and accessory uses.

(3) Streets owned or maintained by the project:

(i) Paving (material and condition);

The streets beyond the lot lines are existing, New York City sidewalks, curbs and roadways. 22nd Street is an existing sixty foot (60'-0") wide one-way street. There are existing concrete sidewalks fronting the property. The existing concrete sidewalks will be replaced with new concrete sidewalks and curbs, as is required for all new buildings, when construction is near completion as directed by the N.Y. City Department of Transportation. The sidewalks providing access to the building(s) shall be free of tripping hazard and ponding. Sidewalks, curb cuts, ramps/aprons shall be ADA compliant. The condominium will be responsible for maintaining the sidewalk in accordance with the requirements of the Authority Having Jurisdiction (AHJ).

(ii) Curbing (material and condition);

There are existing concrete curbs fronting the property. The existing concrete curbs fronting the property will be replaced with new concrete curbs, as is required for all new buildings, when construction is near completion as directed by the N.Y. City Department of Transportation. 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 22nd Street. The existing catch basins have been installed by the N.Y. City Department of Transportation.

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

The existing street lighting is provided by the City of New York, and consists of vertical steel, stanchions surmounted with mercury arc lamps in metal enclosures. The existing street lights are located, at the sidewalk close to the curb, on both sides of the roadway along 22nd Street. The existing street lighting is in good condition.

(v) Conformity with municipal codes;

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

(4) Drives, sidewalks and ramps:

(i) Paving (material and condition);

There will be a new poured, reinforced, concrete driveway at the westerly side of the property at grade level which will provide access to the covered parking area located at the Cellar Floor level of the building. The sidewalks providing access to the building(s) shall be free of tripping hazard and ponding. Sidewalks, curb cuts, ramps/aprons shall be ADA compliant

(ii) Curbing (material and condition);

There will be no curbs on the property.

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

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

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

There will be no street lighting on the property.

(v) Conformity with municipal codes;

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

**(d) UTILITIES**

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

**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, 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 a detention tank.

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

**(e) SUB-SOIL CONDITIONS**

The soil at the bottom of the footings is Class 3b soil, as per a subsurface Test Boring which was performed by Triangle Inspection & Testing Services Inc., 110-25 156th Street, Queens, N.Y. 11433. The soil has an allowable bearing capacity of approximately three tons per square foot as per the N.Y. City Building Code.
There was no ground water encountered up to eighteen feet below the normal grade level of the site. There is no land subsidence, expansive soils, hazardous materials, and or Environmental Restriction designations present on the property.
The site is in FEMA Flood Zone X (no screen) which indicates the site is in an “Area of Minimal Flood Hazard” as per FIRM panel # 3604970211F. There is no apparent evidence of the site having flooded in the past 10 years. If so, it shall be noted as a Special Risk to disclose this.
Foundation system has been accurately sized to support the calculated load while under construction.

(1) There is no apparent evidence of uneven foundation movement, settling, cracking, mortar joint decay, etc.

(2) There is no apparent evidence of moisture, seepage or ground water infiltration.

(3) There is no apparent danger from flooding due to a water table overflow from other bodies of water. The site and surrounding properties are relatively flat and there is no apparent potential for mudslides or erosion from the surrounding properties. The foundation walls shall be protected with mastic waterproofing at the exterior below grade surfaces. There will also be a 2” semi-rigid continuous perimeter insulation with an R value of 10. There will be gravel and compacted earth fill adjacent to the foundation walls.

**(f) LANDSCAPING AND ENCLOSURES**

(1) There will be grass cover in a portion of the rear yard area of the building. The grass type will be a northeast mix, drought-tolerant seed variety with good disease and insect resistance. The remainder of the rear yard area consists of a poured, reinforced, concrete slab supported by the reinforced concrete columns and beams. The finished surfaces of the portion of the rear yard, located at the roof above the cellar floor level shall be finished with 2" thick concrete pavers.

(2) There will be planting areas at the front of the building along 22nd Street. 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. There will also be planting areas at the roof above the fourth-floor level.

(3) There will be three (3) new trees with a minimum caliper of three inches planted at the sidewalk area fronting the property at 22nd Street as required by the N.Y City Zoning Resolution. There will also be three (3) trees planted off site, with the exact locations to be determined by the NYC Parks Department. The trees shall be of a species to be determined by the N.Y. City Department of Parks. In the event the procurement of the final permanent Certificate of Occupancy falls outside of NYC Parks Department's two approved planting seasons, the Sponsor reserves the right to pay the NYC Parks Department Tree Fund in lieu of each new tree required.

(4) There will be a new 6'-0" high composite fence made from a blend of recycled plastics and wood pulp with a faux wood grain finish in dark grey at the perimeter of the property lines at the rear yard area of the site. There will be a new 6'-0" high composite fence between building segments providing separation between the yard areas of each building segment.

(5) There will be no gates at the exterior of the property.

(6) There will be no garden walls at open yard areas.

(7) There are no retaining walls at open yard areas.

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

**(g) BUILDING SIZE**

(1) The building will be a total height of approximately 55'-0", measured from the adjacent grade to the finished roof above the fourth-floor level.

(2) There will be no crawl spaces within the building.

(3) There will be one cellar level below the first-floor level of the building with a floor to ceiling height of approximately 10'-0".

(4) In addition to a cellar, there will be a basement and four (4) stories with a floor to ceiling height of approximately 10'-2" for each the basement, first, second, third & fourth floors. The approximate gross square footages of each floor are as follows:

| | | |
|---|---|---|
| Cellar Floor | approximately | = 12,207.00 sq. ft. |
| Basement Floor | approximately | = 9,584.00 sq. ft. |
| First Floor | approximately | = 9,584.00 sq. ft. |
| Second Floor | approximately | = 9,584.00 sq. ft. |
| Third Floor | approximately | = 9,584.00 sq. ft. |
| Fourth Floor | approximately | = 8,406.00 sq. ft. |

(5) There will be a mechanical / sprinkler / meter room, storage rooms, an elevator mechanical room, utility closets, common tenant recreation and exercise rooms and a refuse room located in the cellar floor level towards the front of the building. The hot water heaters shall be located within the mechanical / sprinkler / meter room at the cellar floor level. HVAC condensers and equipment shall be located in the rear yard area at the roof above the cellar floor level and above the roof of the fourth floor level of the building.

(6) There will be a masonry parapet, with a minimum height of three feet and six inches above the finished roof level, at the roof above part of the third floor level and at the roof above the fourth-floor level of the building.

**(h) STRUCTURAL SYSTEM**

The structural system for the building will be a concrete flat slab type system and will consist of perimeter, reinforced concrete columns and beams. There will also be intermediate, reinforced concrete bearing walls for the support of stair and elevator cores.

The foundations will consist of poured, reinforced concrete footings for support of the foundation walls at the cellar floor level. The foundation walls shall also be of poured, reinforced concrete. The perimeter footings and foundation walls shall have 2” rigid insulation with an R value of 10 and shall be protected with a self-sealing waterproofing membrane Pre-Con Mel-Rol as manufactured by WR Meadows at the exterior below grade surfaces. There will be gravel and compacted earth fill adjacent to the foundation walls. There will be no drainage pipe at the footings.

A separate SOE application has been filed with and approved by the Brooklyn Office of the New York City Department of Buildings, by a New York State licensed Professional Engineer. The SOE drawings have been assigned Department of Buildings application number B01067616-S2. A permit number B01067616-S2-SE has been issued by the N.Y. City Department of Buildings. There is no underpinning.

The interior floor at the cellar level shall consist of a poured, reinforced mat-slab foundation. The cellar floor slab consists of a continuous 30” thick concrete slab, reinforced with 6”x6” W2.9xW2.9 welded wire mesh, placed over a 6 millimeter vapor barrier and 6” compacted gravel / crushed stone. The interior floor assembly at the upper floors shall be wood finished flooring on a poured, reinforced concrete slab supported by the reinforced concrete columns, bearing walls and beams.

The sound insulation between the floors shall be one layer of gypsum wall board over a 10” concrete slab with 5mm thick QT rubber sound attenuation insulation installed between the ¾” plywood subfloor and ¾” finished floor. All construction shall comply with reference standard RS 10 of the N.Y. City Building Code. Floor/ceiling assemblies between dwelling units or between a dwelling unit and a public or service area stair, exterior mechanical equipment, or other mechanical equipment space, including mechanical rooms, shall be constructed of assemblies having an impact insulation class (IIC) rating of not less than 50 based upon laboratory measurements made in accordance with ASTM E 492.

Floor impact noise is in compliance with BC 1207.3 Structure-Borne Sound. The walls between the units have 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 flat roof areas located above portions of the cellar and third floor levels, as well as above the fourth floor and the stair and elevator bulkheads. The flat roof areas shall also be a poured, reinforced, concrete slab supported by the reinforced concrete columns, bearing shear walls and beams. The roof areas will consist of a heat welded, multiple-ply modified Bitumen roof membrane, as manufactured by Firestone, with a base over Polyisocyanurate insulation, or other manufacturer acceptable insulation consisting of ½" cover board over tapered insulation sloping ¼" per foot to area drain, over two layers of thermal insulated adhered onto primed roof substrate over a reinforced concrete slab, supported by reinforced concrete girders.

The finished surfaces of the roof terraces, located at the roof above parts of the cellar and third floor levels, as well as above the fourth floor level shall be finished with 2” thick concrete 24”x24” Hanover Prest Pavers as manufactured by Hanover Architectural Products or equivalent.

The structural components of the building have been designed to account for the effects of lateral loads in compliance with the New York City Building Code. Structural Plans have been filed with and approved by the New York City Department of Buildings by a N.Y. State licensed, Professional Engineer.

The Class of Construction will be Type I B as described by Table 601 of the 2014 New York City Building Code

(1) Exterior of buildings:

(i) Walls:

The exterior walls shall be comprised of load bearing metal studs with an exterior finish using a combination of brick veneer, a stucco finish, and an E.I.F.S veneer exterior.

E.I.F.S shall be class PB (polymer based) identified as PB EIFS.

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 studs shall be fitted with a 1” spray polyurethane foam insulation with a minimum R value of 7. The outside face of the exterior walls will consist of 1.5” rigid continuous insulation with an R value of 9.75.

The exterior walls at the stair and elevator bulkheads at the roof shall consist of poured, reinforced concrete walls, with a minimum ¾” thick three step stucco exterior finish over 1.5” rigid continuous insulation (R-9.75), finished on the inside side with a 3” spray polyurethane foam insulation with a minimum R value of 19.5, finished with 2 layers of 5/8“ thick gypsum wallboards. Exterior wall assemblies shall have a fire rating of 2hrs and a minimum, sound transmission coefficient, STC rating of 56.

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.

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

(ii) Windows:

Windows are to be double-glazed and mainly of the double hung type, as manufactured by Jada Windows and Doors 124 Clydesdale Ct. Grass Valley, CA 95945. Glazing shall be set in steel frames with a burnished brass patina coated exterior finish. The perimeter of window openings shall be fitted with a latex-based, caulking compound at interior and exterior surfaces. Air infiltration rate of windows shall not exceed 0.3 cfm per square foot and shall comply with Chapter 8 of the New York State Energy Conservation Construction Code. The thermal break system shall utilize polyamide insulating thermal strips fixed by roll forming between the inside and outside faces of the window extrusions. This construction method utilizes single or multiple cavities to create insulated air spaces and a space frame construction that is common in building structural members. The polyamide strips are good thermal insulators and block the transfer of energy (hot or cold) in the frame.

The manufacturer guarantees five years, parts and hardware, two years labor and five years glazing. Windowsills shall be constructed of masonry. Corrosion resistant lintels above window openings shall be of steel fabrication. The interior finish of the lintels shall be of gypsum wallboards on steel furring channels at the inside surfaces. All exterior metals, including fasteners, screens, storm, sash, and hardware shall be corrosion resistant.

There will be no lot line windows.

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

(iii) Landmark status:

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

(2) Parapets and copings:

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

(3) Chimney and caps:

There will be 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 area at the rear yard above part of cellar floor level will be a limited common element for Units 1F, 1G & 1H.

The open roof terrace areas above part of the third floor level will be a limited common element for Units 5A, 5B, 5C, & 5D.

The open roof terrace area at the roof above the fourth floor level will be a limited common element for Units 2A, 2D, 2E, 2H, 3E, 3F, 4E, 4F, 5F & 5E.

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

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

(i) Deck Finish;

The finished surfaces of the roof terraces, located at the roof above parts of the cellar and third floor levels, as well as above the fourth floor level shall be finished with 2” thick concrete 24”x24” Hanover Prest Pavers as manufactured by Hanover Architectural Products or equivalent. A suitable walking surface shall be provided. The roof finish for the terraces are appropriate for daily foot traffic and use as a terrace. The installation of roof pavers does not void the manufactures roof warrantee. Part of the roof area above the fourth floor level shall be finished with grass cover and decorative landscaping pebbles. The grass type will be a northeast mix, drought-tolerant seed variety with good disease and insect resistance.

(ii) Balustrade;

There will be no balustrades.

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

(iii) Railing;

There will be no railings at the roof terrace areas.

(iv) Coping;

The coping at the parapet walls shall be pre-cast aluminum anchored to the load bearing metal stud with noncorrosive steel dowels.

(v) Soffits;

There will be no soffits.

(vi) Doors to balconies and terraces;

The doors to the roof terraces, located at the roof above parts of the cellar and third floor levels, shall be double swing glass doors as manufactured by Jada Windows and Doors 124 Clydesdale Ct. Grass Valley, CA 95945. The doors shall be equipped with double paned, glass set in steel framing which shall be finished with a burnished brass patina coated finish.

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

The distance between the finished roof terrace level and the bottom of the doors shall be approximately two (2) inches. Terrace doors shall have a U-Factor of 0.40 and come with a ten (10) year manufactures warranty. Terrace doors shall be equipped with an entry type lockset. Exterior doors come equipped with and will utilize a thermal break system which will further reduce temperature transfer.

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

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

(5) Exterior Entrances:

(i) Exterior doors and frames:

There will be a total of two (2) exterior entrance doors located at the basement floor level of the building along the 22nd Street facade.

There will be one (1) centrally located entrance to the Residential units located along the 22nd Street facade that shall provide access to the common areas of the building as well as access to the common stairs and elevator leading to the residential units located at the upper floor levels via a common lobby area.

Exterior door and frames manufactured by Jada Windows and Doors 124 Clydesdale Ct. Grass Valley, CA 95945.

There will also be a vehicular entrance to the building on the westerly most point of the 22nd Street facade, which will provide access to the covered parking units located at the cellar floor level and will be accessed via an automatic, roll-up, metal security gate, model: microgroove 4400 as manufactured by Hörmann.

All exterior metals, including fasteners, screens, storm, sash, and hardware shall be corrosion resistant. The main exterior entrance doors shall be a self closing, double glazed, glass doors set in steel framing. 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.

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

Exterior entrances shall be built free of tripping hazards. Water runoff from surface area will be conveyed to the existing 15” combined sewer fronting the property. Exterior entrances shall be ADA compliant with a min width of 3’-0” and to have a perpendicular clear width of 33”.

All exterior metals, including fasteners, shall be corrosion resistant. The Sponsor reserves the right to provide hardware by different manufacturers which are equal to or better than noted above.

(ii) Vestibule doors and frames:

There will be one vestibule door located at the entrance along the 22nd Street facade. The vestibule door shall be a hinged door set in aluminum frame. The vestibule doors will be equipped with passage type locksets manufactured by Jada Windows and Doors 124 Clydesdale Ct. Grass Valley, CA 95945.

(iii) Exterior stairs:

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

(iv) Railings:

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

(v) Mail boxes:

U.S. approved type mailboxes will be provided at a central location in the common residential lobby in the front the building. Mailboxes shall be a wall mounted, cluster box unit of aluminum construction.

(vi) Lighting:

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

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

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

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

(6) Service entrances:

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

(i) Exterior Doors and Frames;

(ii) Vestibule doors and frames;

(iii) Exterior Stairs;

(iv) Railings;

(7) Roof and roof structures:

(i) Types:

There will be flat roof areas located above portions of the cellar and third floor levels, as well as above the fourth floor and the stair and elevator bulkheads.

(a) Material:

The flat roof areas located above portions of the cellar and third floor levels, as well as above the fourth floor of the building shall be finished with 2” thick concrete 24”x24” stone pavers over a liquid applied roof waterproofing system manufactured by Sprayseal, with a base over Polyisocyanurate insulation, or other manufacturer acceptable insulation consisting of ½" cover board over 6” ridged insulation over two layers of thermal insulated adhered onto primed roof substrate over a pitched reinforced concrete slab, supported by reinforced concrete girders.

(b) Insulation:

Roof insulation consists of Polyisocyanurate insulation, or other manufacturer acceptable insulation consisting of ½" cover board, over two layers of thermal insulated adhered onto primed roof substrate.

(c) Surface finish:

The roof surfaces shall be 2” thick concrete 24”x24” stone pavers over a liquid applied roof waterproofing system manufactured by Sprayseal. The condensing units located at the roof above part of the cellar floor and above the fourth floor level shall be installed on 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 dunnage shall be primed and receive two coats of paint and all roof top piping shall be properly insulated. Condensing units will be subject to inspection and signoff by the Department of Buildings prior to a final sign off being issued.
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 twenty (20) years. No bond or guarantee other than the twenty (20) year manufactures warranty on all construction materials and workmanship will be furnished. The warranty is issued by the roofing membrane manufacturer. All repair or replacement costs covered under the guarantee shall be borne by the roofing membrane manufacturer

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

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

(e) Flashing materials including counter flashing:

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

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

(ii) Drains:

(ii)(a) There will be controlled flow, cast iron roof drains with cast iron dome drain strainers and cast iron roof drains with an integrated PVC standpipe type overflow that extends approximately 3” above the bottom most outlet functioning as the secondary safety emergency overflow drain connected to interior vertical, cast iron drain pipes located at the roof terraces above portions of the cellar and third floor levels, as well as above the fourth floor of the building.

The flat roof areas have a tapered slope of a maximum of ¼” per foot to the drains. Drain groupings shall consist of sets of two drains; one drain shall function as the primary drain with an integrated flow control device and the other will serve as the secondary emergency overflow drain. The roof drains and leaders will be connected to the building’s storm drainage system. It shall be noted as a Special Risk if no secondary emergency overflow drains have been provided. Refer to Special Risk for description of maintenance, leak management system and repair responsibilities.

The roof drains will be connected to the building’s storm drainage system. The storm drainage system has been approved by the N.Y. City Department of Environmental Protection, prior to approval of the building plans by the N.Y. City Department of Buildings.

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

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

(iii) Skylights:

There will be no skylights.

(iv) Bulkheads:

(iv) (a) Stair material;

The exterior walls of the common stair bulkhead shall consist of poured, reinforced concrete walls, with exterior grade gypsum wallboards and wire lath and stucco exterior finish. Stairway access to the roof comply with 2014 NYC Fire Code, FC Chapter 10 (Means of Egress).

(iv) (b)Elevator material;

The exterior walls of the elevator bulkhead shall consist of poured, reinforced concrete walls, with exterior grade gypsum wallboards and wire lath and stucco exterior finish. The spaces between the metal furring channels shall be batt insulation with a minimum R value of 13. The interior surfaces shall be finished with gypsum wallboards.

(iv) (c) Other;

There will be no other bulkheads.

(v) Metal work at roof levels:

(v) (a) Exterior metal stairs;

There will be no exterior stairs at the roof areas.

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

There will be no vertical ladders including gooseneck ladders at the roof area.

(v) (c) Railings;

There will be no railings at the roof areas.

(v) (d) Hatches to roof;

There will be no hatches to the roof areas.

(v) (e) Other;

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

(vi) Rooftop Facilities:

There will be a recreational area at the roof above the fourth floor level. The recreational area will be a common element for the condominium. The open roof terrace area at the rear yard above part of cellar floor level will be a limited common element for Units 1F, 1G & 1H.

The open roof terrace areas above part of the third floor level will be a limited common element for Units 5A, 5B, 5C, & 5D.

The open roof terrace area at the roof above the fourth floor level will be a limited common element for Units 2A, 2D, 2E, 2H, 3E, 3F, 4E, 4F, 5F & 5E.

Limited common elements are permitted and are in compliance with all NYC Zoning and Building Code requirements.

A portion of the open roof terrace area at the roof above the fourth floor level will be a common element for the condominium. DOB approved drawings shall be provided. Roof terraces located at the roof above part of the cellar and third floor levels and above the fourth floor level shall be separated by privacy fences with standard 3 foot wide gates, which may be secured by padlock or chain capable of being cut by standard bolt cutters in the event of fire department access. There will be no other preventative methods or elements applied for visual screen and privacy between decks allocated as limited common elements provided. Unit owners cannot place obstacles in fire department access path. Fence, fire department access and roof layout are in compliance with NYC Fire Code Section 504.4.4. The open roof terrace areas at the roof above the fourth floor level utilizes approximately 20% of the roof areas for limited common elements.

Maximum allowable occupancy of roof used for Limited Common Element are designed in accordance with Buildings Bulletin 2018-002 §B. The proposed maximum occupant load of roof shall not exceed 159 persons. Sponsor will not be providing any furniture or equipment.

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

Solar photovoltaic panels/modules shall comply with the requirements of NYC Building Code Section 1512 and the New York City Fire Code. The solar panel system consists of twelve (12) photovoltaic panels/modules, model: Q. PEAK DUO XL-G10.2 485W Modules, as manufactured by Hanwha Q CELLS America Inc**.,** as well as twelve (12) micro-inverters, model # IQ7A-72-2-US as manufactured by ENPHASE.

The proposed photovoltaic system consists of twelve (12) Qcells Q. PEAK DUO XL-G10.2 monocrystalline solar panels. The panels carry a 12-year product warranty and a 25-year linear performance warranty, guaranteeing a minimum of 93.5% of nominal power output at 10 years and 86% at 25 years. Maintenance is minimal and limited to periodic visual inspections and cleaning with water and a soft, non-abrasive cloth when panels are cool.

Each panel is constructed of monocrystalline silicon with tempered glass and an aluminum frame and has an approximate area of 29 square feet, for a total array area of approximately 350 square feet.

Individual panel output is approximately 480–495 watts (DC), resulting in a total system capacity of approximately 5.76–5.94 kW (DC). The system is intended to provide supplemental electrical generation and offset a portion of the building's common electrical consumption and is not intended to supply the full electrical demand of the building.

The solar panel system will be owned by the Condominium Board.

The structural frame and roof construction supporting the load imposed upon the roof by the photovoltaic panels/modules shall consist of marine-grade aluminum alloy mounting rails, splicing kit, mid and end clamp assembly, all protected with an anodized finish. The mounting rails are model XR100 as manufactured by Iron Ridge Racking System. All exterior metals used, including fasteners shall be corrosion resistant.

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

(8) Fire escapes:

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

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

(9) Yard and courts:

The building will have one rear yard area, adjacent to rear façade of the building. The rear yard area will have a depth of approximately 29'-3 ½" measured perpendicular to the rear façade of the building. The rear yard will be a limited common element for Units 1F, 1G & 1H and shall be accessible via the units located at the basement floor level.

(i) Paving:

The rear yard areas will be of poured concrete with concrete pavers above and parts shall be of compacted earth and grass covered.

(ii) Drainage:

The yard areas will be equipped with cast iron area drains which will be connected to the building's storm drainage system.

(iii) Railing:

There will be no railings at the yard areas of the property.

(iv) Stairs:

There will be no stairs at the yard areas of the property.

There will be a vehicular ramp which will provide access to the cellar floor from grade level at the front of the building. The ramp providing vehicular access to the cellar floor level from grade shall be of concrete reinforced with welded wire fabric on gravel and compacted fill.

(v) Fencing:

There will be a new 6'-0" high composite fence at the perimeter of the property lines at the rear. There will also be a new 6'-0" high composite fence between unit segments providing separation between the rear yard areas of the building.

(vi) Walls:

There will be no walls constructed at the yard areas of the property.

(10) Interior stairs:

(i) Number and type:

There will be two common interior scissor type exit stairs, which will provide egress from the basement through fourth floor levels as well as the cellar and roof areas, above the fourth floor.

(ii) Enclosure:

The walls of the interior, stair enclosures shall be constructed of steel studs with two layers of one hour rated gypsum wallboards on each side. Ceiling areas, below landings shall also be finished with gypsum wallboards which will be primed and painted.

(iii) Stair construction:

The common interior stairs shall be of concrete construction with concrete treads.

(iv) Stringers:

The stringers at the common interior stairs shall be concrete stringers.

(v) Treads:

The treads at the common interior stairs shall be of poured concrete.

(vi) Risers:

The risers at the common interior stairs shall be of concrete construction.

(vii) Guard rails:

The perimeter of stair landings at the common stair shall be protected with wrought iron guardrails, with a minimum height of three feet and six inches (3'-6") above the level of the landings. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code. The wrought iron rails will be surface prepared, a rust inhibiting primer applied and then coated with a corrosion resistant finish. The finish (coating) on the railing is black powder coated. All metals used including fasteners shall be corrosion resistant stainless steel.

The perimeter of stair landings at the accessory stairs within the units at the first and second floor levels shall be protected with steel pipe handrails, with a minimum height of three feet and six inches (3’-6”) above the level of the landings. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4”) as required by the N.Y. City Building Code.

(viii) Balustrade:

There will be no balustrades at the perimeter of stair landings.

(11) Interior doors and frames:

(i) Unit entrance and interior doors and frames:

Unit entrances will be metal. Frames will be of steel. Each unit door will have a unit number, an interview peephole and shall be equipped with a manual, entry type lockset manufactured by Kwikset model # 883351072861 with a matte black finish. The Sponsor reserves the right to provide door hardware by a different manufacturer which is equal to or better than noted above.

Doors within units shall be of solid core wood or of another material and do not have to be fire rated. Interior doors will be set in wood or steel frame and shall be equipped with a passage type lockset. Interior doors shall be primed and ready to paint, textured wood grain surface. The Storage unit's doors and frames, located at the front of the cellar floor level, will be hollow metal, steel covered, fireproof, self closing doors with a minimum of one and one half hour rating. Storage unit doors shall be mounted on metal frames and shall be equipped with a manual, keyed entry type lockset manufactured by Ultra Knob model # 44221 with a stainless steel finish.

(ii) Corridor doors and frames:

Corridor doors and frames, located at the cellar floor level of the building, will be hollow metal, steel covered, fireproof, self closing doors with a minimum of one and one half hour rating and shall be mounted on steel frames.

(iii) Stair hall doors and frames:

The stair hall entrance doors to the units shall be hollow metal, fireproof, self closing doors with a minimum fire rating of one and one half hours. Stair hall doors shall be mounted on metal frames and shall be equipped with a manual, entry type lockset manufactured by Kwikset model # 883351072861 with a satin nickel finish. The Sponsor reserves the right to provide a lockset by a different manufacturer which is equal to or better than noted above.

(iv) Roof Doors, Cellar Doors and frames:

Doors at the cellar floor level providing access to mechanical / sprinkler / meter room, storage rooms, elevator mechanical room, utility closets, common tenant recreation and exercise rooms and refuse rooms shall be one and one half hour rated, fireproof self closing steel doors mounted on steel frames.

(12) Elevators:

(i) Number;

There will be one general purpose passenger use type elevator provided in the building.

(ii) Manufacturer & capacity;

The passenger elevator is manufactured by the Otis Elevator Corporation and shall have a capacity of approximately 2100 pounds.

(iii) Type of Operation;

The elevator operation type shall be a Selective Collective Automatic operation type.

(iv) Automatic (Type of controls);

The elevator will be fully automatic. The elevator car shall be equipped with a self-leveling feature that will automatically bring the car to floor landings independent of the operable part and shall correct for over travel and under travel.

(v) Floors served;

The elevator will serve the cellar, basement, first, second, third, fourth and roof floor levels of the building.

(vi) Type (hydraulic, gearless)

The elevator shall be a hydraulic elevator type.

(vii) Doors (sliding, swinging, manual, automatic);

The elevator will be equipped with a single speed, automatic sliding door.

(viii) Location of machine rooms;

The elevator machine room will be located adjacent to the elevator hoist way in a control room at the cellar floor level. Adequate fresh air intake will be provided for ventilation to protect against the overheating of the electrical equipment. The system shall be capable of maintaining temperatures within the range established for the elevator equipment as per NYC Building code section 28.2-3006.2

(ix) DC motor (manufacturer);

There will be no DC motor.

(x) AC motor generator set (manufacturer);

The elevator will be powered by a 30 H.P. motor and will be provided with a 208-volt triple phase electrical supply.

The Sponsor reserves the right to provide elevator equipment by a different manufacturer which is equal to or better than noted above.

(xi) Other;

The elevator shall be ADA compliant.

An elevator maintenance contract will be transmitted to the condo management prior to elevator sign off.

(13) Elevator cabs:

(i) Kind (manufacturer);

The elevator cab shall be manufactured by the Otis Elevator Corporation.

(ii) Floor (Material);

The floor shall be of ceramic tiles.

(iii) Walls (Material);

The walls shall be plastic laminate hung panels with a baked enamel finish.

(iv) Ceiling (Material);

The ceilings shall be satin stainless steel finish.

(v) Lighting;

The elevator cab will have recessed lighting fixtures each with approximately sixty watts of incandescent illumination or its equivalent.

(vi) Alarm, Safety system;

The elevator cab will be equipped with an emergency alarm and light and communication system.

The Sponsor reserves the right to install elevator equipment, finishes and alarm systems by a different manufacturer which are equal to or better than noted above.

**(i) AUXILIARY FACILITIES**

Mail and package rooms, and common tenant recreation rooms finishes will consist of tile flooring with gypsum wallboards for the walls and ceilings. Bicycle room, refuse room and storage room finishes will consist of concrete flooring with gypsum wallboards for the walls and ceilings. When finished the walls and ceilings shall be primed and painted. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, etc. of their own choice. There will be fifteen (15) storage rooms located at the cellar floor level towards the front of the building with a floor to ceiling height of 10'-0".

| Unit number | Location | Square footage. |
|---|---|---|
| Unit ST-1 | Cellar Floor | = 15.00 sq. ft. |
| Unit ST-2 | Cellar Floor | = 24.00 sq. ft. |
| Unit ST-3 | Cellar Floor | = 38.00 sq. ft. |
| Unit ST-4 | Cellar Floor | = 40.00 sq. ft. |
| Unit ST-5 | Cellar Floor | = 40.00 sq. ft. |
| Unit ST-6 | Cellar Floor | = 45.00 sq. ft. |
| Unit ST-7 | Cellar Floor | = 40.00 sq. ft. |
| Unit ST-8 | Cellar Floor | = 51.00 sq. ft. |
| Unit ST-9 | Cellar Floor | = 45.00 sq. ft. |
| Unit ST-10 | Cellar Floor | = 47.00 sq. ft. |
| Unit ST-11 | Cellar Floor | = 47.00 sq. ft. |
| Unit ST-12 | Cellar Floor | = 47.00 sq. ft. |
| Unit ST-13 | Cellar Floor | = 47.00 sq. ft. |
| Unit ST-14 | Cellar Floor | = 47.00 sq. ft. |
| Unit ST-15 | Cellar Floor | = 61.00 sq. ft. |

The storage rooms (units ST-1 through ST-15) shall be licensed to certain purchasers of condominium units.

The doors leading to the storage rooms and the bicycle room located at the cellar floor level will be hollow metal, steel covered, fireproof, self-closing door with a minimum of one and one half hour rating. Doors shall be locked and accessible with a key. The bicycle room measures approximately 305.00 sq.ft.and shall accommodate 20 bicycle parking spots on floor mounted bike racks with integral locks. No other security shall be provided for unit owners' personal property.

(1) Laundry rooms:

(i) Location and number of rooms;

There will be one laundry closet provided within each residential unit with hookups for a an electric domestic, stackable type washer and 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.

(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, steel exhaust vent duct provided in each laundry closet for the dryers. Each exhaust vent will tie into a vent stack and will terminate at the roof above the fourth floor level of the building.

(2) Refuse disposal:

Refuse disposal rooms with access to trash chutes will be located at the cellar through fourth floors. The trash chute will terminate at the cellar within a trash collection room.

(i) Incinerators;

There will be no incinerators in the building.

(ii) Compactors;

There will be a new trash compactor located in the refuse disposal room located at the cellar floor level. The trash compactor shall be model number JAX10 as manufactured by PCS, LLC. The trash compactor is a hydraulically operated horizontal extruder-type unit and shall have a capacity of 17 cubic yards per hour, with a 5hp, 1750rpm motor.

(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 residential unit's occupant. They will take their own garbage to the refuse disposal rooms located at the cellar through fourth floor levels. The trash chute will transport the garbage from the refuse rooms to the trash collection area at the cellar floor level. Garbage will be removed from the storage area and taken to the outside, adjacent to the curb in front of the building, by a janitorial service where it will be collected by the New York City Sanitation Department on days designated for garbage removal.

(v) Pick-up Schedule;

The schedule for garbage removal at the location of the site is Wednesdays and Saturdays 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 front of the cellar floor level. Each residential unit is to be supplied with cold water from a minimum ½" copper piping. Each residential unit will be supplied by the two (2) common, electric hot water heaters, located the mechanical / sprinkler / meter room at the cellar floor level.
The hot and cold water piping throughout the building shall be insulated as per the N.Y. State Energy Code Requirements section 403.3. Mechanical system piping capable of carrying fluids above 105°F (41°C) or below 55°F (13°C) shall be insulated to a minimum of R-3. All hot and cold water supply piping shall be fitted with a minimum ½” polyethylene, thermal insulation.
Backflow preventer, (Reduced Pressure Zone “RPZ”) may be required and will be located at the cellar floor towards the front of the building, for back flow prevention of the City water system as required by the Department of Environmental Protection and shall be located in a common area.
The building will have domestic booster system for raising the water to the fourth floor level.

(2) Fire Protection System:

The entire building will be equipped with a sprinkler system. The sprinkler system will be a wet standpipe sprinkler system. The sprinkler system will be equipped with a 6”x 3”x 3”siamese connection and water motor gong located adjacent to the entrance at the basement floor level.

The building shall be provided with two (2) standpipes located within the interior exit stairway. One (1) standpipe shall be a 4-inch combination wet standpipe/sprinkler system, and one (1) shall be a separate 4-inch standpipe riser. All standpipe piping and fittings shall be black steel, Schedule 10 or Schedule 40, and shall comply with NFPA 13, Section 6.3. Listed and approved 2½-inch angle globe hose valves shall be provided, installed not more than 5 feet and not less than 3 feet above the floor or stair landing. Hose outlets shall be provided in each required stairway at every floor landing. Class I standpipe hose connections shall be installed in all locations as required by Section 905.4 of the NYC Building Code.

The fire pump shall be an A-C Fire Pump Systems vertical inline fire pump, Series 1580, Model 4×4×7F, rated at 25 horsepower, 3550 RPM, 208 volts, three-phase, 60 hertz, with a full-load current of 74.8 amps at 208 volts. The fire pump shall be provided with the manufacturer’s standard warranty, not less than one (1) year from the date of installation, covering defects in materials and workmanship.

The jockey pump shall be a Grundfos Model CR3-6, rated at 4.6 amps at 208 volts. The jockey pump shall be provided with the manufacturer’s standard warranty, not less than one (1) year from the date of installation, covering defects in materials and workmanship.

All fire protection system components shall be installed, tested, and maintained in accordance with applicable NFPA standards, the NYC Building Code, and the manufacturers’ recommendations.

The sprinkler heads throughout the building will be mainly concealed, pendant type, sprinkler heads. Separate sprinkler application shall be filed with and approved by the Brooklyn Office of the New York City Department of Buildings, by a New York State licensed, Mechanical Engineer and the required permit secured prior to the installation of the sprinkler system. Each unit shall also be equipped with smoke detectors and carbon monoxide detectors at a maximum distance of fifteen feet from any bedroom door within the unit, as required by the New York City Building Code.

(iii) Sprinkler heads (type, location);

Sprinkler heads will be installed throughout the building and will consist of new concealed quick response pendent sprinkler heads, as manufactured by Victaulic model# V3806, with a ½" thread & orifice, 5.6 K-Factor, 135 Degree F., 1" adjustable, with UL Certification # EX5170.

(iv) Siamese connection (type, location);

There will be a 6"x 3"x 3" NYC Fire Department approved Siamese connection located at the front façade of the building at a minimum of 18" from grade to a maximum of 36" from grade level.

(3) Water storage tank(s) and enclosures:

There will be no water storage tanks at the roof of the building. The following sub sections will not be applicable to this Report:

(i) Number, type, location;

(ii) Material (Interior, exterior and roof);

(iii) Access to tank;

(iv) Capacity (total gallons);

(v) Capacity (fire reserve);

(4) Water pressure:

The water pressure at the site is approximately 50 psi. There will be a domestic water booster pump (model NVS-132010-01S-5HP as manufactured by Armstrong) located at the mechanical / sprinkler equipment room at the cellar floor level. The pump will have a capacity of 143 g.p.m. and will maintain a water pressure of 60 psi. Booster pump has a one year manufacturer's warranty
The Sponsor reserves the right to install equipment by a different manufacturer which are equal to or better than noted above.

(5) Sanitary sewage system:

(i) Sewage piping (material);

Sewage piping material shall be of extra heavy cast iron.

(ii) Sewage pump:

The submersible sump pump for the elevator pit shall be model number SE-50 as manufactured by Stancor Pumps and Control Solutions with a capacity of 45 g.p.m. The submersible sump pump has a one year manufactures warrantee furnished by Stancor Pumps and Control Solutions.
The Sponsor reserves the right to install equipment by a different manufacturer which are equal to or better than noted above.

(iii) Sewage disposal;

The sanitary waste will be conveyed to the New York City sewer system via extra heavy cast iron, sewer pipes located in the building, which will lead to a house trap of extra heavy cast iron. The house trap will be located in the cellar area towards the front of the building. Beyond the house trap there is an existing extra heavy cast iron, sanitary drain pipe which will be connected to the existing 15" combined public, sewer located in the roadway beneath 22nd Street.

(6) Permit(s) required:

Permits for the installation of plumbing fixtures shall be obtained from the Department of Buildings prior to the installation of all plumbing work within each of the buildings and on the site.
A site connection permit shall be obtained from the Department of Environmental Protection prior to connecting to the existing New York City sewer system.
All plumbing work shall be done by a N.Y. State licensed Plumber.

(7) Storm drainage system:

The onsite, storm drainage system will consist of vertical interior drain pipes, exterior drains and a detention tank. All area drains and interior drain pipes shall be of cast iron.

The building will have one (1) 13'-0" wide x 39'-6" long x 4'-0" deep concrete detention tank, with an estimated capacity of 2,063 cubic feet. The detention tank shall be located at the front portion of the Cellar floor level of the building.

All storm water and run-off from the surface and roof areas is handled on site and will be conveyed to the detention tank.

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 22nd 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 interior vertical drain pipes located at the roof areas above part of the cellar and third floor levels and above the fourth floor. Area drains will be located in the rear yard areas of the building as applicable.

Interior vertical drain pipes at the pitched roof areas shall be of cast iron.

(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 will be no storm water drainage sump pumps.

**(k) HEATING**

The heating systems shall be designed to provide sufficient heating to maintain inside conditions of 72 degrees Fahrenheit and 50% relative humidity when the outside conditions are 15 degrees Fahrenheit dry bulb with a 15 mph wind (in accordance with ASRAE, 2001 Fundamentals Handbook, Climatic Design Information, Table 1A, 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) Heating and distribution of domestic hot water and whether capable of providing peak required services:

Domestic hot water will be provided for each residential unit by two (2) common, electric hot water heaters, located in the mechanical / sprinkler room at the cellar floor level.

The hot water heating system shall be designed to be capable of providing peak required services to each residential unit.

Heating of the residential units will be achieved by a split, HVAC system. The heating cycle of the rooftop HVAC units will generate the heat energy required to heat the residential living spaces of the building. Heated air will be supplied by ceiling mounted air handlers to the different areas via metal ducts and ceiling and wall diffusers throughout the residential living spaces of the building.

The space heating system for the common spaces such as the lobby, corridors, meter, mechanical, storage, refuse, bicycle and recreation rooms, shall be provided via ceiling hung 4kw electric heaters as manufactured by QMARK model # MUH03-81. The heaters shall be provided with the manufacturer's standard warranty, not less than one (1) year from the date of installation, covering defects in materials and workmanship.

The heaters are electric resistance-type units with a rated energy efficiency of 100% at the point of use, as all electrical energy consumed is converted directly into heat. The equipment shall comply with the New York City Energy Conservation Code (NYCECC), including applicable provisions of the International Energy Conservation Code (IECC), as adopted by the City of New York, and with all manufacturer specifications.

The Sponsor reserves the right to install equipment by a different manufacturer which are equal to or better than noted above.

Operation & maintenance manuals and the most recent balancing report for the Heating System shall be provided to the condominium management.

(2) Number of boilers and description:

There will be two (2) common, new, electric hot water heaters provided in the mechanical / sprinkler room at the cellar floor level, for each residential unit. There will be no Instant Hot Water Devices provided. Air ducts will be insulated with R6 batt insulation.

(3) Manufacturer (model, capacity):

The electric hot water heaters shall be model CAHP-80, as manufactured by **AO SMITH**. Each unit has an 80-gallon tank capacity, an HP rated heating capacity of 3,680 watts and a Uniform Energy Factor (UEF) rating of 3.88, which will be adequate to provide hot water for each unit.

The hot water heater unit comes with a Manufacturer's Warranty: 3-year limited tank / 1-year limited parts warranty.

The HVAC units have a heating rated capacity ranging from of 42,000 Btu/h to 59,000 Btu/h and a SEER rating of 17.

The HVAC units shall be manufactured by **Daikin**.

The HVAC units come with a seven-year manufacturer warranty and a two-year manufacturer warranty for parts. The Sponsor reserves the right to provide hot water heaters and HVAC units by different manufacturers which are equal to or better than noted above.

(4) Manufacturer and age of burners:

Electric hot water heaters, heating elements will be new and will be as manufactured by **AO SMITH**.

The Sponsor reserves the right to provide heating elements 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 an "ME Remote Controller / System Controller" to regulate temperature.

(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 any of the buildings.

(9) Capacity of oil tank:

There will be no oil tanks in any of the buildings.

**(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 will 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.

(1) Type of system:

Cooling of each residential unit will be achieved by the cooling cycle of the electric split HVAC system as manufactured by Daikin. Cooled air will be supplied by ceiling mounted air handlers to the different areas via metal ducts and ceiling and wall diffusers throughout the residential living spaces of the building. The condenser units will be mounted on the roof above the part of the cellar floor in the rear yard area and on the roof above fourth floor level and shall be owned and maintained by the residential unit owners. Distribution ducts and registers will be provided for the initial room layouts as constructed by the sponsor. All air distribution ducts shall be insulated with fiberglass duct insulation provided with a vapor retarder facing. Insulation shall be a minimum of 1½ inches thick and shall provide a minimum thermal resistance of R-6.

All insulation materials shall comply with the applicable provisions of the New York City Energy Conservation Code (NYCECC), including the International Energy Conservation Code (IECC) as adopted by the City of New York, and shall be installed in accordance with manufacturer recommendations and industry standards.

The units will be controlled by a thermostat located in the center of the apartment (Hallway or Living Room Wall). The HVAC system is also controlled using an "ME Remote Controller / System Controller" to regulate temperature.

(2) Central System (manufacturer, model, capacity):

Cooling of each unit shall be achieved by supplying cool air (via metal ducts and wall registers) to the different spaces within the unit as manufactured by Daikin. The condenser units, which will generate the energy required for cooling, will be located on the roof above the part of the cellar floor in the rear yard area and on the roof above fourth floor level.

The condensing units will be installed on 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 dunnage shall be primed and receive two coats of paint, and all roof top piping shall be properly insulated with minimum 1" thick Armaflex brand insulation. Condensing units will be subject to inspection and signoff by the Department of Buildings prior to a final sign off being issued. All exterior metals, including fasteners, shall be corrosive resistant.

The HVAC units come with a seven-year manufacturer warranty and a two-year manufacturer warranty for parts.

(3) Cooling towers or Condensers (number, location, description):

There will be one condenser for each residential unit for a total of forty (40) condenser units. The condenser units will be located on the roof above the part of the cellar floor in the rear yard area and on the roof above fourth floor level.

The condenser units shall be:

| Model number | Manufacturer | Input capacity | # of units |
|---|---|---|---|
| **RK12AXVJU** | **DAIKIN** | **10.9 MBH** | **8** |
| **RXTQ48TAVJU** | **DAIKIN** | **49.5 MBH** | **15** |
| **RXTQ36TAVJ9** | **DAIKIN** | **40.0 MBH** | **17** |

Units installed should be U.L. approved or N.Y. City M.E.A. or B.S.A. approved if necessary and shall have a minimum efficiency rating of 80%.

HVAC systems to be installed, shall be designed by a N.Y. State licensed mechanical engineer and shall be filed with and approved by the N.Y. City Department of Buildings, prior to installation.

The Sponsor reserves the right to install equipment by a different manufacturer which are equal to or better than noted above.

(4) Individual units covered by the offer (window / sleeve- number, location, description);

There will be no individual air conditioning units or AC sleeves provided at the exterior of the building.

**(n) VENTILATION**

The spaces that require mechanical ventilation in the units are the interior bathrooms and kitchens. Bathroom spaces shall be equipped with vertical ducts with a fan which terminates to the outside air. Kitchens shall have ductless recirculating hoods. The minimum rate of exhaust ventilation shall be 50 cfm, for bathroom and toilet room areas as required by the New York City Building Code. Exhaust ventilation has an HVI sound rating of 1.2 sones.

The elevator mechanical room is also provided with mechanical ventilation and shall be equipped with vertical ducts with a fan which terminates to the outside air. The rate of exhaust ventilation for the elevator mechanical room shall be approximately 200 cfm. The elevator mechanical room exhaust ventilation has an HVI sound rating of 4.5 sones. The parking area exhaust ventilation will consist of a 36” x 24” duct with an inline electric fan manufactured by Greenheck, model number 13SQ-240 with a 560/5600 CFM. Garage exhaust fan to operate continuously at 560 CFM, if CO concentration exceeds allowable limit, fan shall increase to 5600 CFM until CO concentration reaches an acceptable level. Garage exhaust is provided with a 6.0 NSF aluminum louver with bird screen and fire damper located on the roof above the part of the cellar floor in the rear yard area. Exhaust ventilation has an HVI sound rating of 14.2 sones.

Ventilation is not required for the mechanical /sprinkler room and bicycle storage room located at the Cellar Floor level as per NYC Building code section 1203. There is no cooking; living or sleeping permitted in the cellar area thus ventilation requirements for the window-less Storage units do not apply as per New York City Building Code. Building plans have been reviewed for ventilation requirements, adequacy, and compliance to all NYC building Code by the NYC DOB.

The Sponsor reserves the right to install equipment by a different manufacturer which are equal to or better than noted above.

**(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 shall be 2000 Amp, 208/120 Volt, 3-phase, 4-wire power

The electrical service will be transported throughout the building via, new, copper conductors.. 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 as well as an electrical service line diagram.

(2) Service to individual units:

There will be separate meters for each residential unit.

Service size to Residential Units shall range from circuit breakers to units and ratings: 125 amps, 120/208 volt, single phase, service

The electrical service will be transported throughout the apartment via, new, insulated, #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 the building.

(4) Unit service:

Each residential unit shall be served by a 125-amp panelboard. Branch circuits within the dwelling units shall generally be 20-amp circuits, with approximately 42 circuits per unit. Common area loads shall be served from the main service equipment and accounted for separately. 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 42 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, LED, 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. There are no designated children play areas so Tamper-Resistant receptacles will not be provided by the sponsor. Unit owners may install Tamper-Resistant receptacles at their own expense. Convenience outlets and appliance outlets shall be installed by a licensed Electrician and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

**(p)** **INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS, SECURITY CLOSED CIRCUIT TV**

Each unit will be equipped with an intercom at the entrance, which will permit voice contact between the inside of the unit and the exterior. The intercom at the main entrances shall be Model BE-D5S and within each unit shall be Model # BE-V5-7RW, as manufacture by BEC AUDIO. There is no CCTV system provided.

BEC AUDIO warrants its products to be free of manufacturer defects for one year of actual sale date. This warranty only applies to products purchased from authorized dealers or distributors. If proof of installation cannot be supplied the manufacturer serial number or date code will be substituted.

The building will be wired for Verizon FIOS and Cable. Each unit's owner will be responsible for securing their own cable service provider at their own cost.

The Sponsor reserves the right to provide equipment which is equal to or better than noted above.

**(q)** **PUBLIC AREA LIGHTING**

Lighting fixtures will be provided in public stairways and hallways. Fixtures shall be capable of at least ten (10) watts per twenty five (25) square feet of floor area. Each lighting fixtures shall be provided with one or more lights of a total of not less than sixty (60) watts. In addition, lighting fixtures shall be provided at the front entrances, providing an aggregate illumination of one hundred and fifty (150) watts incandescent illumination or its equivalent. There shall also be provided, in the yard areas to the front and side, at least one light, each of at least forty (40) watts incandescent illumination.

The public area lighting will be adequate and shall be in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

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

Public area lighting shall be:

| Location | Manufacturer | Model number | Internet # |
|---|---|---|---|
| **Entry Pendant** | **Monteaux Lighting** | **DC-C591001A** | **206714589** |
| **Common Halls** | **Progress Lighting** | **P3511-20** | **205805087** |
| **Exterior Front** | **Minka Lavery** | **73063-246** | **206060686** |
| **Exterior Rear / Sides** | **Feiss Industrial Modern** | **OLPL7000ORB** | **205321291** |

**(r) GARAGES AND PARKING AREAS**

(1) Location of garages;

There will be no garages.

(2) Location of parking areas;

As per New York City Zoning Resolution Section 25-211 (Residential Parking Regulations – Inner Transit Zone), the minimum required parking for the residential units is zero (0) spaces. The proposed design provides a total of seventeen (17) parking spaces. This provision is consistent with the requirements of the Zoning Resolution for properties located within the Inner Transit Zone, and the proposed parking meets all applicable DOB regulations. There will be a total of seventeen (17) covered parking spaces. There will be a vehicular entrance to the building which will provide access to the parking units, located at the cellar floor level. This entrance will be located at the front facade along 22nd Street.

One of the parking spaces is a designated ADA Parking Space. Parking spaces measure approximately 8'-6" x 18'-0". Parking Unit P15 has been designated as a handicapped parking space and can accommodate a wheelchair accessible van. Unit P15 measures approximately 11'-0" x 18'-0" and will be the last parking space sold if it has not previously been sold to a purchaser who themselves or a member of their family has a vehicle with handicapped plates. The purchase of Unit P15 and any subsequent sale or transfer of it is subject to the following covenants and restrictions in the deed: In the event the present or future owner of a unit in a condominium, or a member of his or her family residing in the unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and said unit owner is the owner of the parking space, said unit owner has the right to demand that the owner of the Parking Space P15 trade the handicapped parking space he/she owns with said handicapped owner. In the event the present or future owner of a unit or member of his or her family residing in the unit, becomes handicapped and said unit owner does not own a parking space, said unit owner has the right to demand that the owner of Parking Space P15 sell it at then current, fair market value to said handicapped owner.

The parking spaces are for the use of the owner occupants, exclusively. Sponsor may rent any off-street parking to non-occupants of the building, for periods of not less than one week and not more than one month.

All off-street parking spaces shall be made available to occupants within 30 days after a written request made to the sponsor, by such occupants.

The parking layout is in compliance with all Zoning, Code and Regulations, including dimensional compliance as well as adequate to permit convenient access and maneuvering in accordance with regulations promulgated by the N.Y. City Department of Buildings.

Conduits shall be provided to each parking space to allow for future installation of electric vehicle (EV) charging stations.

Per the purchaser's request, the Sponsor will not provide EV charging stations as part of the base building scope. However, an electrician may install the required EV charging station at each parking space upon request, at the purchaser's additional cost. When installed, the EV charging stations shall comply with Local Law 130 of 2013 and Section 406.2.11 or 406.7.11 of the NYC Building Code, including minimum capacity, wire size, and all applicable code requirements.

Typical units may include Level 2 chargers with a minimum capacity of 7.2 kW, supplied by listed manufacturers such as ChargePoint, Tesla, or JuiceBox, and shall include the manufacturer's standard warranty (generally one year from the date of installation, covering defects in materials and workmanship).

All equipment and installation shall conform to manufacturer specifications and applicable NYC Electrical Code requirements.

(3) Surfaces:

The parking spaces shall be of poured, reinforced concrete slab on gravel and compact fill.

(4) Parking:

The parking will not be attended.

(5) Garage ventilation:

There will be mechanical exhaust ventilation provided at the cellar floor level for the enclosed parking area.

(6) Garage fire protection:

There will be a wet pipe sprinkler system installed throughout the building.

(7) Drainage:

The parking area will be equipped with cast iron area drains connected to the building's storm drainage system.

**(s) SWIMMING POOL(S)**

There will be no swimming pools in or at the exterior of any of the buildings. The following sections will not be applicable to this Report:

(1) Type (concrete, material composition) and Location;

(2) Size (length, width, depth, capacity);

(3) Enclosure (material including roof);

(4) Pumping and filter system;

(5) Water heating equipment;

(6) Structural support system (roof location);

**(t) TENNIS COURTS, PLAYGROUNDS AND RECREATION FACILITIES**

There will be no tennis courts playgrounds or recreational facilities in or at the exterior of any of the buildings. The following sections will not be applicable to this Report:

(1) Tennis Courts:

(i) Type (clay, macadam, turf);

(ii) Number and Size;

(iii) Lighting (number and type);

(iv) Fencing and enclosure;

(2) Playgrounds (size and location);

(3) Other Recreation facilities;

In accordance with Zoning Resolution Section 28-21, developments with nine (9) or more dwelling units per vertical circulation core are required to provide a minimum of 3.3% of the total residential floor area as recreation space for R6 and R7 districts. This development provides 1,670 square feet of common recreation space on the roof, with a maximum allowable occupancy of 83 persons (based on 20 square feet per person). In addition, there are three (3) common indoor recreation spaces located in the cellar floor, measuring approximately 29'-11" x 22'-3" (net area 653 sqft, max occupancy 33 persons), 14'-6" x 22'-1" (net area 320 sqft, max occupancy 16 persons), and 10'-0" x 21'-10" (net area 218 sqft, max occupancy 11 persons). The enclosures consist of insulated foundation walls and 2-hour fire-rated soundproof drywall assemblies. No furniture or equipment shall be provided by the Sponsor. The indoor recreation spaces shall be used for recreational activities, and rules governing their use shall be established by the Condominium Board. All recreation spaces shall comply with applicable NYC Building Code requirements, including lighting, ventilation, fire safety, and general safety standards.

**(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 |
| Elevator Safety | 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
- Elevator Safety Inspection – to be conducted annually
- Elevator Load Test – to be conducted every five (5) years
- Sprinkler inspection - to be conducted annually
- Backflow Valve inspection - to be conducted annually
- As per NFPA 80 - 5.2 Inspections: Fire door assemblies shall be inspected and tested not less than annually, and a written record of the inspection shall be signed and kept for inspection by the AHJ.

**(v) VIOLATIONS**

There are currently no active violations listed for the property as per the N.Y. City Department of Buildings Information System website. Sponsor will cure any outstanding violation prior to the closing.

**(w) UNIT INFORMATION**

The buildings will have a total of forty (40) residential units and seventeen (17) covered parking units.

The enclosed parking spaces will be located at the cellar floor level.

The residential units will be located at the basement through fourth floor levels.

The floor to ceiling height of the cellar floor level shall measure approximately 10'-0".

The floor to ceiling height for each the basement, first, second, third & fourth floor levels shall measure approximately 10'-2".

**Units P1 through P17 will each consist of:**

One (1) covered parking space

**Units 1A, 1B, 1D, 1E, 3B, 3I, 4B and 4I will consist of:**

One (1) bedroom, one (1) bathroom, living / dining room, kitchen and laundry / mechanical closet;

**Units 1C, 2B, 2C, 2F, 3C, 3D, 3G, 4C, 4D and 4G will each consist of:**

Two (2) bedrooms, two (2) bathrooms, living / dining room, kitchen, laundry closet and mechanical closet;

**Units 2G, 3H and 4H will each consist of:**

Two (2) bedrooms, two (2) bathrooms, living / dining room, kitchen, laundry / mechanical closet;

**Units 1F, 3A and 4A will each consist of:**

Three (3) bedrooms, two (2) bathrooms, living / dining room, kitchen, home office and laundry / mechanical closet;

**Units 1G will consist of:**

Three (3) bedrooms, two (2) bathrooms, living / dining room, kitchen, storage room and laundry / mechanical closet;

**Units 1H, 2A, 2D, 2E, 3E, 3F, 4E, 4F and 5F will each consist of:**

Three (3) bedrooms, two (2) bathrooms, living / dining room, kitchen and laundry / mechanical closet;

**Units 2H, 5A, 5B, 5C, 5D and 5E will each consist of:**

Three (3) bedrooms, two (2) bathrooms, living / dining room, kitchen, laundry closet and mechanical closet;

**UNIT SIZES:**

The dimensions indicated are approximate and are located: horizontally approximately to the outside face of the masonry work at the exterior walls of the building and approximately to the non-unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces). Dimensions shall be to the centerline when a partition divides two units.

The approximate square footages for each unit are as follows:

| | | |
|---|---|---|
| **Unit P1** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P2** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P3** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P4** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P5** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P6** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P7** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P8** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P9** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P10** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P11** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P12** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P13** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P14** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P15** | Cellar Floor | = 198.00 sq. ft. |
| **Unit P16** | Cellar Floor | = 153.00 sq. ft. |
| **Unit P17** | Cellar Floor | = 153.00 sq. ft. |
| | | |
| **Unit 1A** | Basement Floor | = 629.00 sq. ft. |
| **Unit 1B** | Basement Floor | = 578.00 sq. ft. |
| **Unit 1C** | Basement Floor | = 760.00 sq. ft. |
| **Unit 1D** | Basement Floor | = 616.00 sq. ft. |
| **Unit 1E** | Basement Floor | = 666.00 sq. ft. |
| **Unit 1F** | Basement Floor | = 1,475.00 sq. ft. |
| **Unit 1G** | Basement Floor | = 1,228.00 sq. ft. |
| **Unit 1H** | Basement Floor | = 1,279.00 sq. ft. |

| | | |
|---|---|---|
| **Unit 2A** | First Floor | = 1,315.00 sq. ft. |
| **Unit 2B** | First Floor | = 884.00 sq. ft. |
| **Unit 2C** | First Floor | = 847.00 sq. ft. |
| **Unit 2D** | First Floor | = 1,340.00 sq. ft. |
| **Unit 2E** | First Floor | = 1,343.00 sq. ft. |
| **Unit 2F** | First Floor | = 871.00 sq. ft. |
| **Unit 2G** | First Floor | = 864.00 sq. ft. |
| **Unit 2H** | First Floor | = 1,319.00 sq. ft. |
| | | |
| **Unit 3A** | Second Floor | = 1,369.00 sq. ft. |
| **Unit 3B** | Second Floor | = 610.00 sq. ft. |
| **Unit 3C** | Second Floor | = 844.00 sq. ft. |
| **Unit 3D** | Second Floor | = 847.00 sq. ft. |
| **Unit 3E** | Second Floor | = 1,340.00 sq. ft. |
| **Unit 3F** | Second Floor | = 1,343.00 sq. ft. |
| **Unit 3G** | Second Floor | = 871.00 sq. ft. |
| **Unit 3H** | Second Floor | = 863.00 sq. ft. |
| **Unit 3I** | Second Floor | = 612.00 sq. ft. |
| | | |
| **Unit 4A** | Third Floor | = 1,369.00 sq. ft. |
| **Unit 4B** | Third Floor | = 610.00 sq. ft. |
| **Unit 4C** | Third Floor | = 844.00 sq. ft. |
| **Unit 4D** | Third Floor | = 847.00 sq. ft. |
| **Unit 4E** | Third Floor | = 1,340.00 sq. ft. |
| **Unit 4F** | Third Floor | = 1,343.00 sq. ft. |
| **Unit 4G** | Third Floor | = 871.00 sq. ft. |
| **Unit 4H** | Third Floor | = 863.00 sq. ft. |
| **Unit 4I** | Third Floor | = 612.00 sq. ft. |
| | | |
| **Unit 5A** | Fourth Floor | = 1,262.00 sq. ft. |
| **Unit 5B** | Fourth Floor | = 1,253.00 sq. ft. |
| **Unit 5C** | Fourth Floor | = 1,255.00 sq. ft. |
| **Unit 5D** | Fourth Floor | = 1,257.00 sq. ft. |
| **Unit 5E** | Fourth Floor | = 1,203.00 sq. ft. |
| **Unit 5F** | Fourth Floor | = 1,192.00 sq. ft. |

(1) **UNIT FINISHES;**

The units will be finished as described herein.

The finished floor of the living/ dining and bedroom areas of the residential units shall be a hardwood finished floor of ¾“thick x 2 ¼” wide select grade, hardwood, oak strips.. Wood floors, manufactured by Siberian Floors LLC and installed by Giron Contracting Inc, come with a one-year installers warranty. Wood flooring shall be installed over the 10-inch concrete slab using Ultra-Set SingleStep 2 adhesive. This system includes an integrated sound reduction membrane, providing both adhesion and acoustic performance. The underlayment is designed to meet typical floor/ceiling assemblies with an impact insulation class (IIC) and sound transmission class (STC) in accordance with industry standards and NYC Building Code requirements for residential construction. 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. Storage room finishes will consist of concrete flooring with gypsum wallboards for the walls and ceilings.

The walls and ceilings of residential units shall be of gypsum wallboard. When finished the walls and ceilings are finished with one coat of primer: Sherwin Williams Multi-Purpose Interior/Exterior Latex Primer/Sealer. Ceiling Paint: Sherwin Williams ProMar Ceiling Paint – interior latex flat. Wall Paint: Sherwin Williams ProMar 200 extra white. Two coats of finished paint.. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, etc. of their own choice.

Residential kitchens shall have wood floors and gypsum wallboard walls and ceilings. Full, residential bathrooms shall be equipped with a washbasin, medicine cabinet, water closet and a combination bathtub/shower. Bathrooms shall have ceramic tile floors. Tile around the bathtubs and showers shall extend to the ceiling. All other bathroom walls shall be of tile and moisture resistant, gypsum wallboard.

When completed, the following interior finishes will be installed.

| | 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 | Wood | Wood | G.W.B. Painted | G.W.B. Painted |
| 4. | Bathroom | Ceramic Tile | Ceramic Tile | Tile/G.W.B. Painted | G.W.B. Painted |
| 5. | Laundry Closet | Ceramic Tile | Ceramic Tile | G.W.B. Painted | G.W.B. Painted |
| 6. | Mech Closet | Ceramic Tile | Ceramic Tile | G.W.B. Painted | G.W.B. Painted |
| 7. | Laundry/Mech. Cl | Ceramic Tile | Ceramic Tile | G.W.B. Painted | G.W.B. Painted |
| 8. | Storage Room | Wood | Wood | G.W.B. Painted | G.W.B. Painted |
| 9. | Home Office | Wood | Wood | G.W.B. Painted | G.W.B. Painted |
| 10. | Storage Units | Concrete | Mas./G.W.B. | Mas./ G.W.B. | G.W.B. Painted |

Note:
G.W.B : Denotes Gypsum Wallboard
Mas. : Denotes Masonry

(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.

D. Shower stall: shall be of tile, with shower head, hand shower, slide bar, shower arm, hose, and valve trim. The shower stall equipment shall be model number 29160LSO as manufactured by Grohe.

(3) **KITCHEN EQUIPMENT SCHEDULE;**

The kitchen areas will generally be provided with the following new fixtures, appliances and equipment:

1. Formica or wood laminate, wall and base cabinets and granite countertops.
2. One stainless steel sink, model number KHU100-30 as manufactured by Kraus.
3. One, 30” four burner Induction Range, or one 36” five burner Induction Range model number PRI30LBHU (30”) / PRI36LBHU (30”) as manufactured by Thermador.
4. One, 30" or 36” recirculation range hood - 300CFM / 500CFM, model # VCI3B30ZS / VCI3B36ZS as manufactured by Thermador.
5. One, 30" or 36” panel ready single door with bottom freezer refrigerator, model number T301B100SP / T36IB100SP as manufactured by Thermador.
6. One panel ready Dishwasher by Thermador, model # DWHD640EPR.
7. Microwave by Thermador, model # MD24BS.

Note:
Additional kitchen appliances and fixtures including additional electric ranges will be the responsibility of the unit owners.

**(x) FINISH SCHEDULE (SPACES OTHER THAN UNITS)**

The following interior finishes will be installed at the locations as indicated.

| | Location | Floors | Base | Walls | Ceilings |
|---|---|---|---|---|---|
| 1. | Elevator Mech Room | Concrete | Mas./G.W.B. | Mas./ G.W.B. | G.W.B. Painted |
| 2. | Meter Rooms | Concrete | Mas./G.W.B. | Mas./G.W.B. | G.W.B. Painted |
| 3. | Sprinkler / Mech Rm | Concrete | Mas./G.W.B. | Mas./G.W.B. | G.W.B. Painted |
| 4. | Refuse Room | Concrete | Mas./G.W.B. | Mas./G.W.B. | G.W.B. Painted |
| 5. | Corridors | Ceramic Tile | Wood | G.W.B. Painted | G.W.B. Painted |
| 6. | Lobby | Ceramic Tile | Wood | G.W.B. Painted | G.W.B. Painted |
| 7. | Recreation Room | Ceramic Tile | Wood | G.W.B. Painted | G.W.B. Painted |
| 8. | Mail Package Room | Ceramic Tile | Wood | G.W.B. Painted | G.W.B. Painted |
| 9. | Bicycle Storage | Ceramic Tile | Wood | G.W.B. Painted | G.W.B. Painted |

Note:
G.W.B : Denotes Gypsum Wallboard
Mas. : Denotes Masonry

**(y) SAFETY AND WARNING DEVICES**

There will be a hardwired, combined smoke and carbon monoxide detector provided in each residential unit at a maximum distance of fifteen feet from any bedroom door within the unit and within each bedroom of the unit as required by the N.Y. City Building Code. The combined smoke and carbon monoxide detectors come equipped with a battery backup. Each Unit owner shall be responsible for keeping and maintain the detectors in good repair and to replace any detectors which have been removed, found missing or rendered inoperable. Sponsor makes no representation whether Unit Owners will comply with the foregoing obligations.

The smoke and carbon monoxide detectors and sprinklers are the fire and smoke safety devices required by the N.Y. City Building Code. All required safety devices shall be installed and are subject to inspection by the N.Y. City Department of Buildings.

There is a Fire Alarm Control Panel with a built in battery backup and Central Office Transmitter located at the basement floor common area lobby. The central station will be through Rapid Response Monitoring Services, Inc. The annunciator panel is manufactured by Edwards/EST and comes with a one year manufacturer’s warranty.

**(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 Energy Conservation Construction Code of New York State, using Chapter E5.

§ 20.7(aa) In the event that certain conditions in the building(s) cannot be adequately evaluated by a visual examination, the Department of Law may, in its discretion, direct that an independent engineer or testing laboratory be retained to perform such tests or monitoring as may be necessary in order to make adequate disclosure. Conditions which may require additional testing or monitoring include, but are not limited to: settlement, masonry cracks, rusting of structural steel, adequacy of concrete cover, fire-stopping, etc. Test results must be reported in the offering plan or in an amendment thereto.

§ 20.7 (bb) Further development.

No further development is proposed.

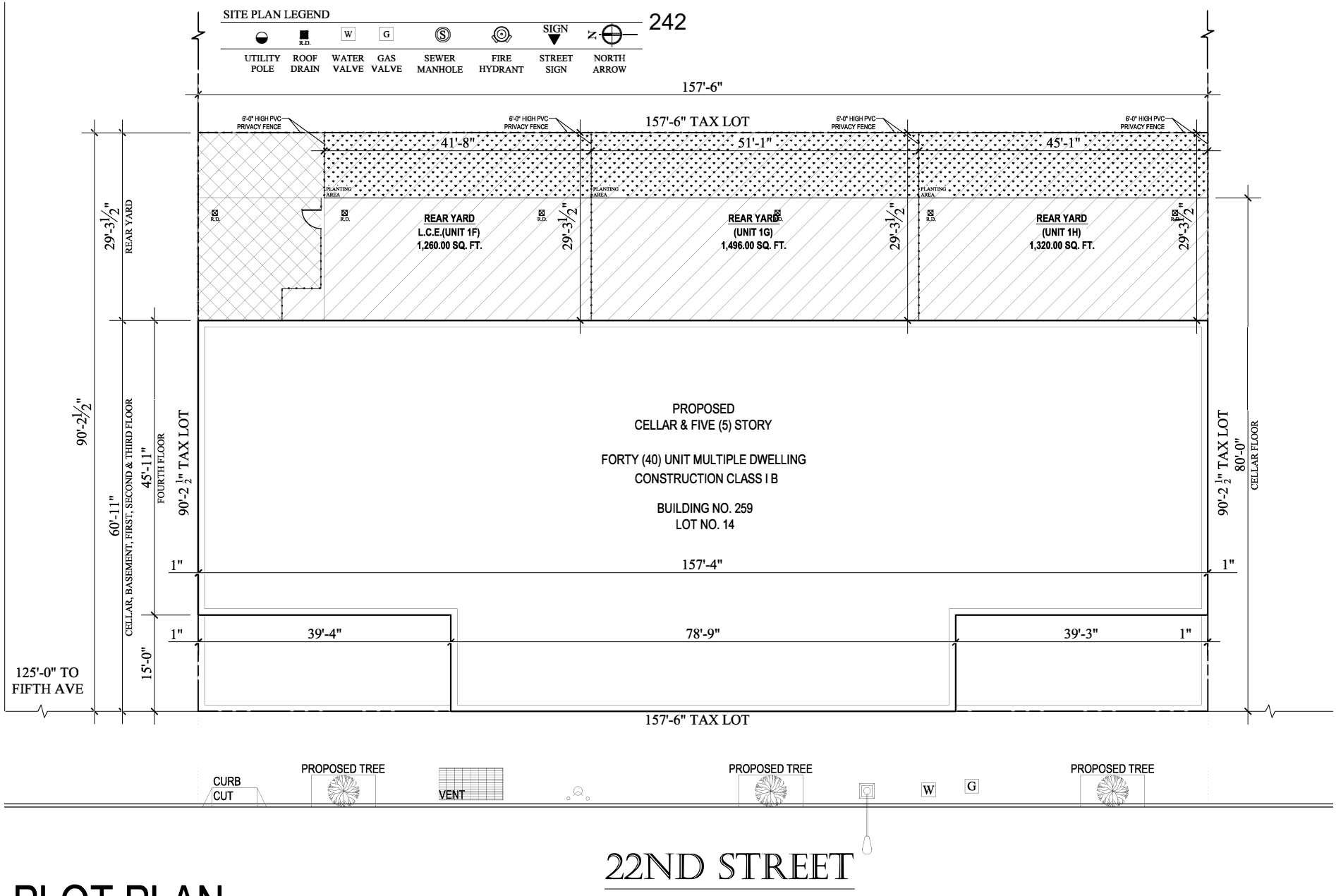
If the sponsor intends to add additional units to the building, either above the existing roof, outside the existing building development, or by altering space within the building, it must make disclosure about the new units to conform to 13 NYCRR Section 20.7.

§ 20.7(cc) Asbestos.

There is no Asbestos Containing Material (ACM) present in insulating or fireproofing material anywhere in the building. There is no Asbestos Containing Material (ACM) present, as it is new construction.

§ 20.7(dd) Lead-based paint.

Records, reports, violations, and any other information known or available to the sponsor or its agents concerning the presence of lead-based paint and/or lead-based paint hazards shall be included. There is no lead based paint present, as it is new construction.




# PLOT PLAN

**BELLROSE CONDOMINIUM**

259 22ND STREET, BROOKLYN, N.Y.

1' 3' 5' 10' 15'
0 2' 4' 20'

BLOCK : 897
LOT : 14

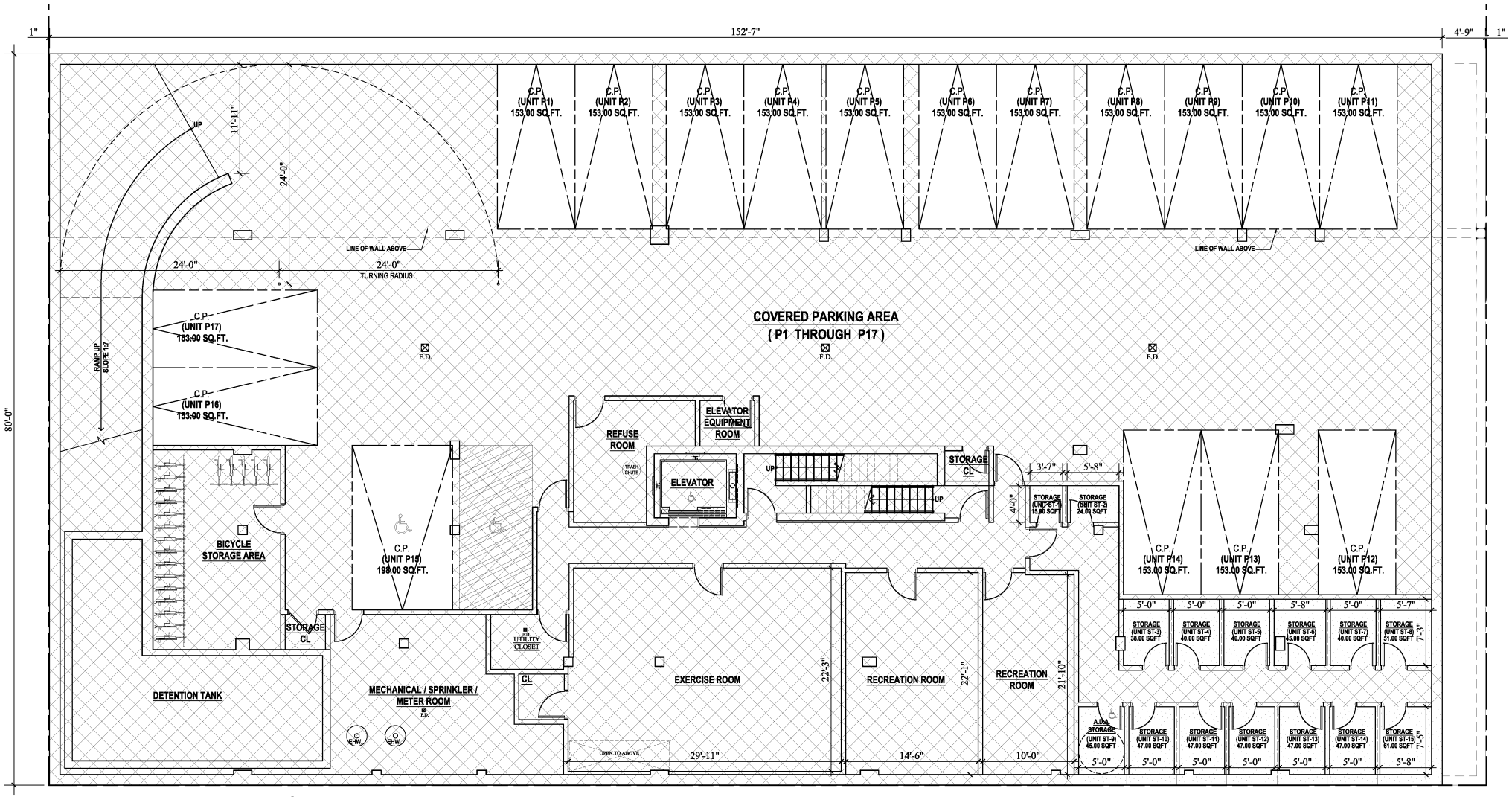
TRUE NORTH

PROJECT NORTH

- LIMITED COMMON AREAS
- COMMON AREAS

DATE : 10-22-25
DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

SCHEDULE G-1




# CELLAR FLOOR PLAN

1' 3' 5' 10' 15'
0 2' 4' 20'

**BELLROSE CONDOMINIUM**
259 22ND STREET, BROOKLYN, N.Y.

DATE CREATED : 10-22-25
DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

TRUE NORTH

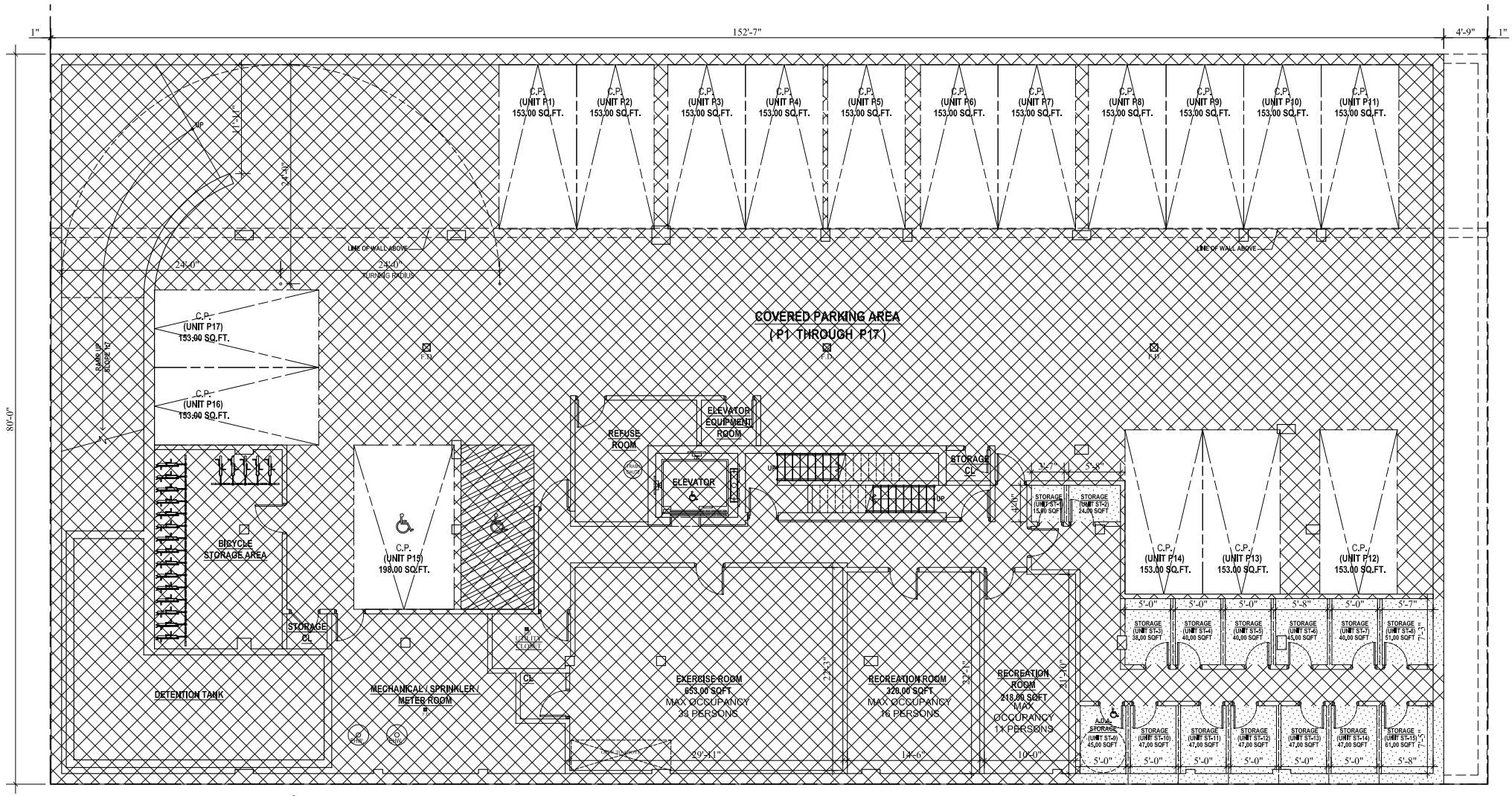
PROJECT NORTH

- COMMON AREAS
- LIMITED COMMON AREAS
- LICENSED STORAGE ROOM
- C.P. DENOTES COVERED PARKING SPACE

NOTE - STORAGE ROOMS (UNITS ST-1 THROUGH ST-15) SHALL BE LICENSED TO CERTAIN PURCHASERS OF CONDOMINIUM UNITS.

APPLIANCE & EQUIPMENT LEGEND
F.D. - INDICATES FLOOR DRAIN
EHW. - INDICATES ELECTRIC HOT WATER HEATER

SCHEDULE G-2




# CELLAR FLOOR PLAN

1' 3' 5' 10' 15'
0 2' 4' 20'

**BELLROSE CONDOMINIUM**
259 22ND STREET, BROOKLYN, N.Y.

DATE CREATED : 02-02-26
DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

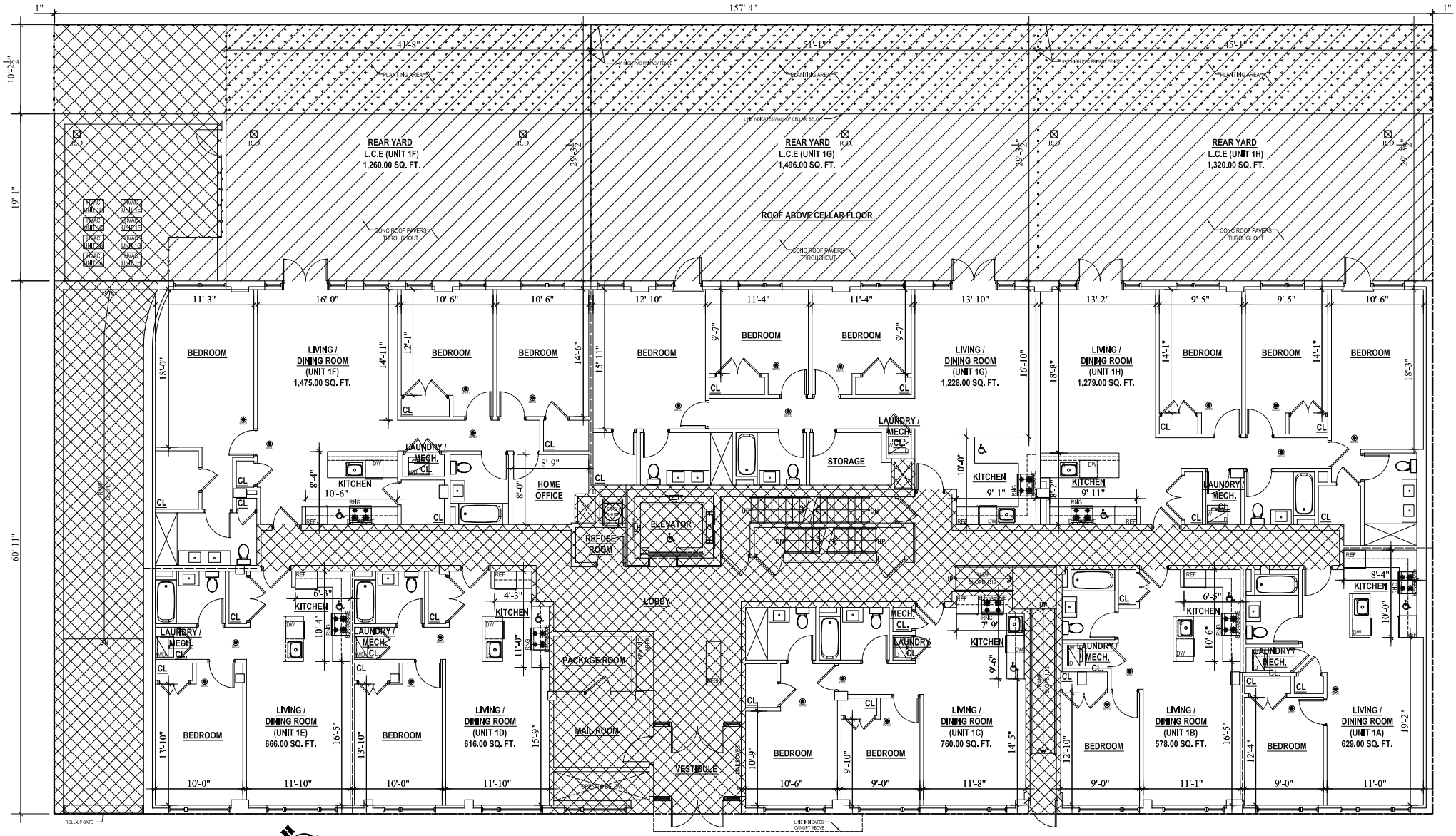
TRUE NORTH

PROJECT NORTH

- COMMON AREAS
- LIMITED COMMON AREAS
- LICENSED STORAGE ROOM
- C.P. DENOTES COVERED PARKING SPACE

NOTE - STORAGE ROOMS (UNITS ST-1 THROUGH ST-15) SHALL BE LICENSED TO CERTAIN PURCHASERS OF CONDOMINIUM UNITS.

APPLIANCE & EQUIPMENT LEGEND
F.D. - INDICATES FLOOR DRAIN
EHW. - INDICATES ELECTRIC HOT WATER HEATER




# BASEMENT FLOOR PLAN

1' 3' 5' 10' 15'
0 2' 4' 20'

TRUE NORTH

PROJECT NORTH

**BELLROSE CONDOMINIUM**
259 22ND STREET, BROOKLYN, N.Y.

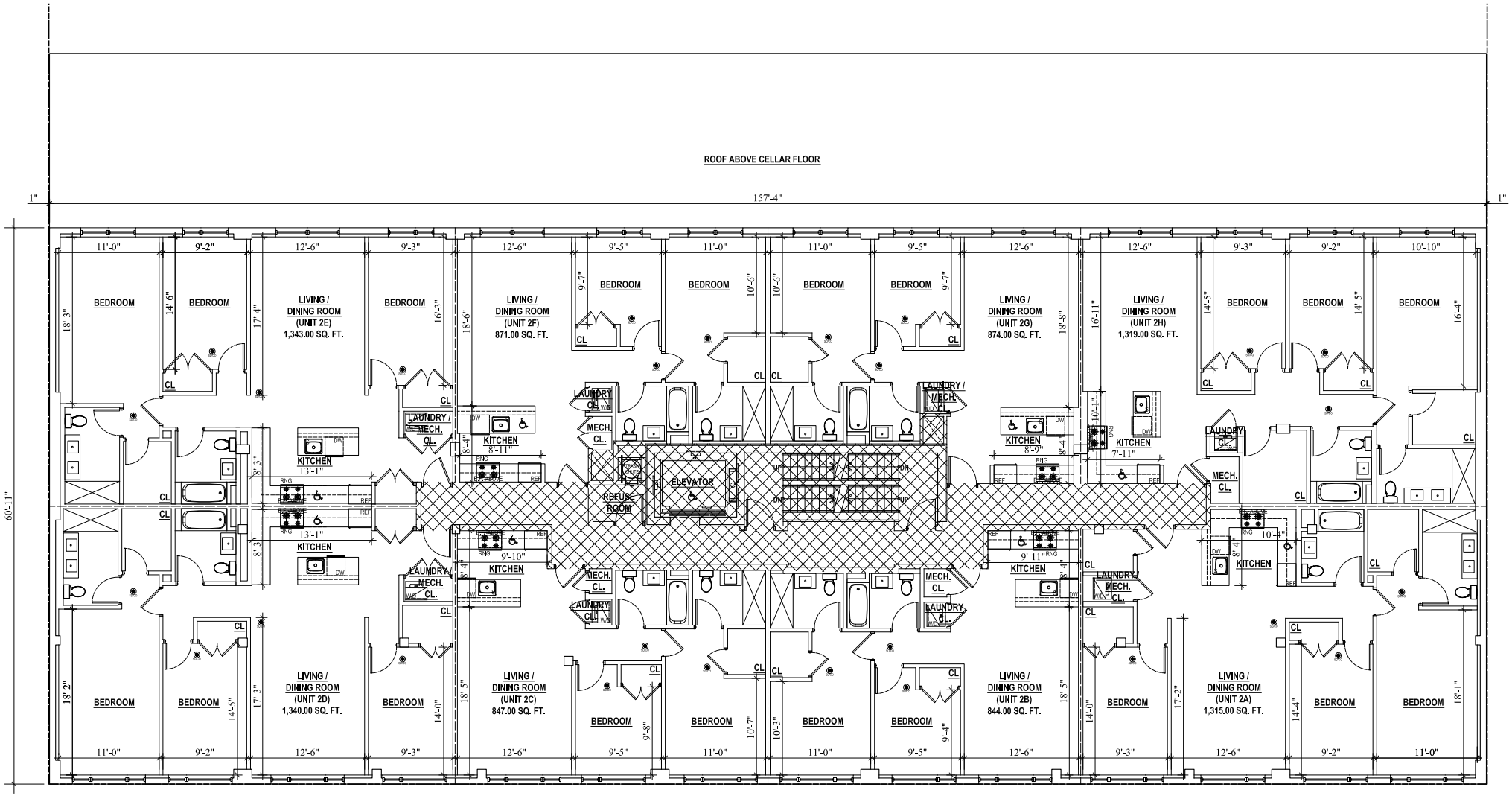
DATE CREATED : 02-02-26
DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

- COMMON AREAS
- LIMITED COMMON AREAS
- LICENSED STORAGE ROOM

APPLIANCE & EQUIPMENT LEGEND
W/D- INDICATES STACKABLE TYPE WASHER & ELEC.DRYERS
S - INDICATES KITCHEN SINK
REF - INDICATES REFRIGERATOR
DW - INDICATES DISHWASHER
RNG. - INDICATES ELECTRIC RANGE
EH - INDICATES COOK TOP EXHAUST HOOD
R.D. - INDICATES ROOF DRAIN

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

NOTE : THE HOME OFFICE MAY NOT BE USED AS A HABITABLE SPACE FOR SLEEPING, LIVING, OR COOKING IN UNIT 1F.




# FIRST FLOOR PLAN

0 1' 2' 3' 4' 5' 10' 15' 20'

**BELLROSE CONDOMINIUM**

259 22ND STREET, BROOKLYN, N.Y.

DATE CREATED : 02-02-26
DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

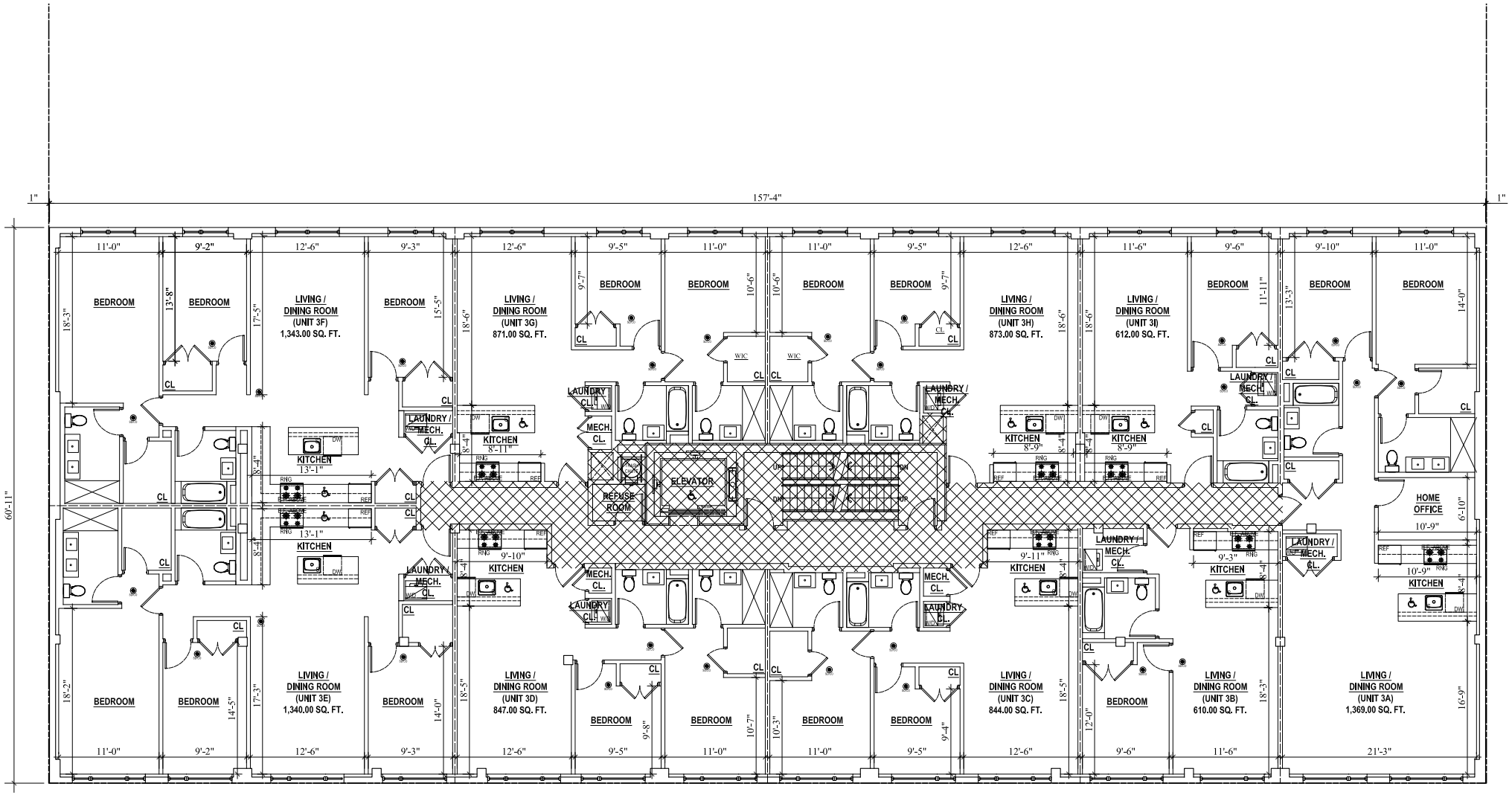
TRUE NORTH

PROJECT NORTH

- COMMON AREAS
- LIMITED COMMON AREAS

APPLIANCE & EQUIPMENT LEGEND
W/D- INDICATES STACKABLE TYPE WASHER & ELEC.DRYERS
S - INDICATES KITCHEN SINK
REF - INDICATES REFRIGERATOR
DW - INDICATES DISHWASHER
RNG. - INDICATES ELECTRIC RANGE
EH - INDICATES COOK TOP EXHAUST HOOD
R.D. - INDICATES ROOF DRAIN

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.




# SECOND FLOOR PLAN

0 2' 4' 1' 3' 5' 10' 15' 20'

TRUE NORTH

PROJECT NORTH

**BELLROSE CONDOMINIUM**

259 22ND STREET, BROOKLYN, N.Y.

DATE CREATED : 02-02-26

DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

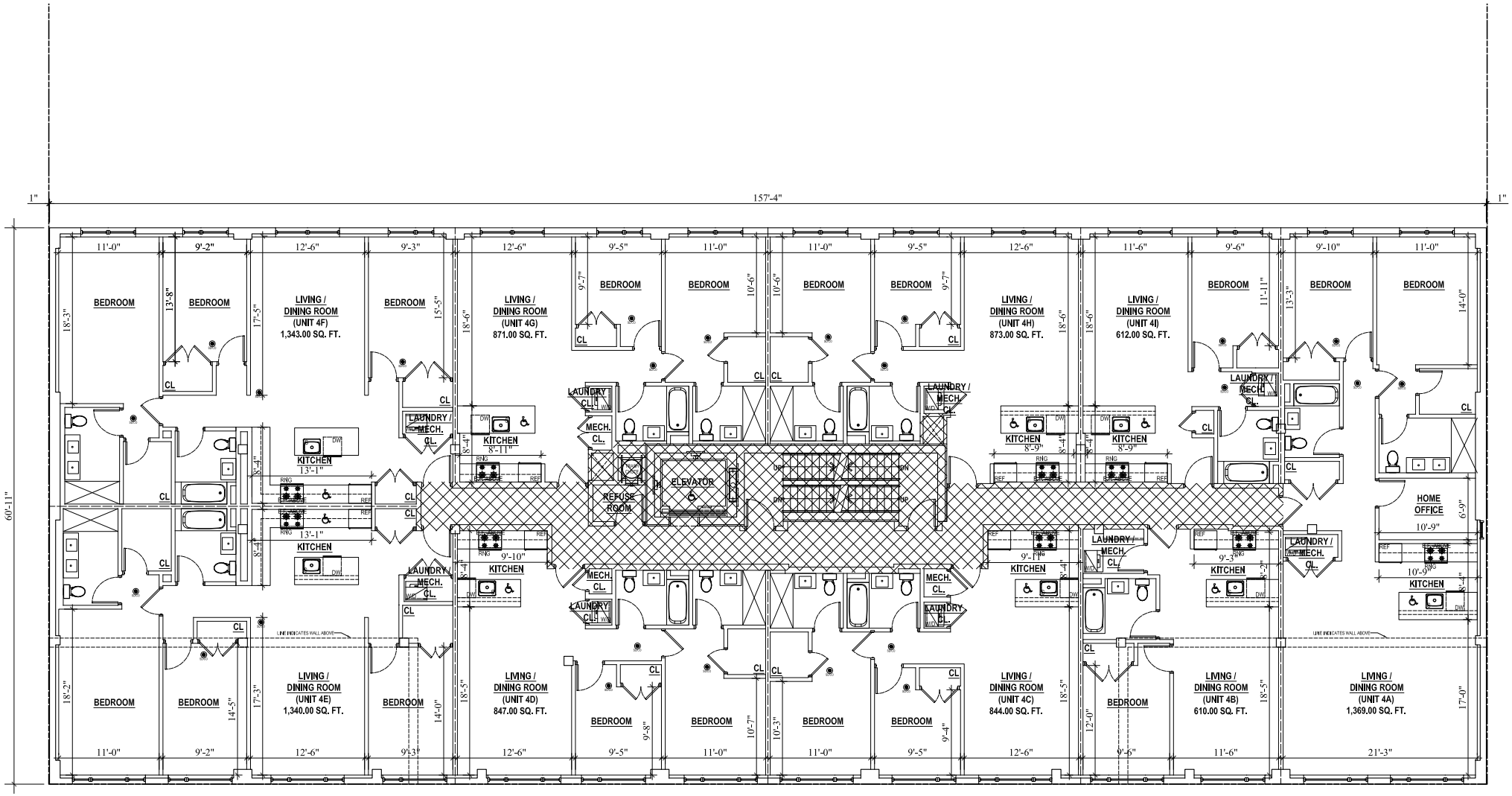
- COMMON AREAS
- LIMITED COMMON AREAS

APPLIANCE & EQUIPMENT LEGEND

W/D- INDICATES STACKABLE TYPE WASHER & ELEC.DRYERS
S - INDICATES KITCHEN SINK
REF - INDICATES REFRIGERATOR
DW - INDICATES DISHWASHER
RNG. - INDICATES ELECTRIC RANGE
EH - INDICATES COOK TOP EXHAUST HOOD

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

NOTE : THE HOME OFFICE MAY NOT BE USED AS A HABITABLE SPACE FOR SLEEPING, LIVING, OR COOKING IN UNIT 3A.




# THIRD FLOOR PLAN

1' 3' 5' 10' 15'
0 2' 4' 20'

**BELLROSE CONDOMINIUM**
259 22ND STREET, BROOKLYN, N.Y.

DATE CREATED : 02-02-26
DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

TRUE NORTH

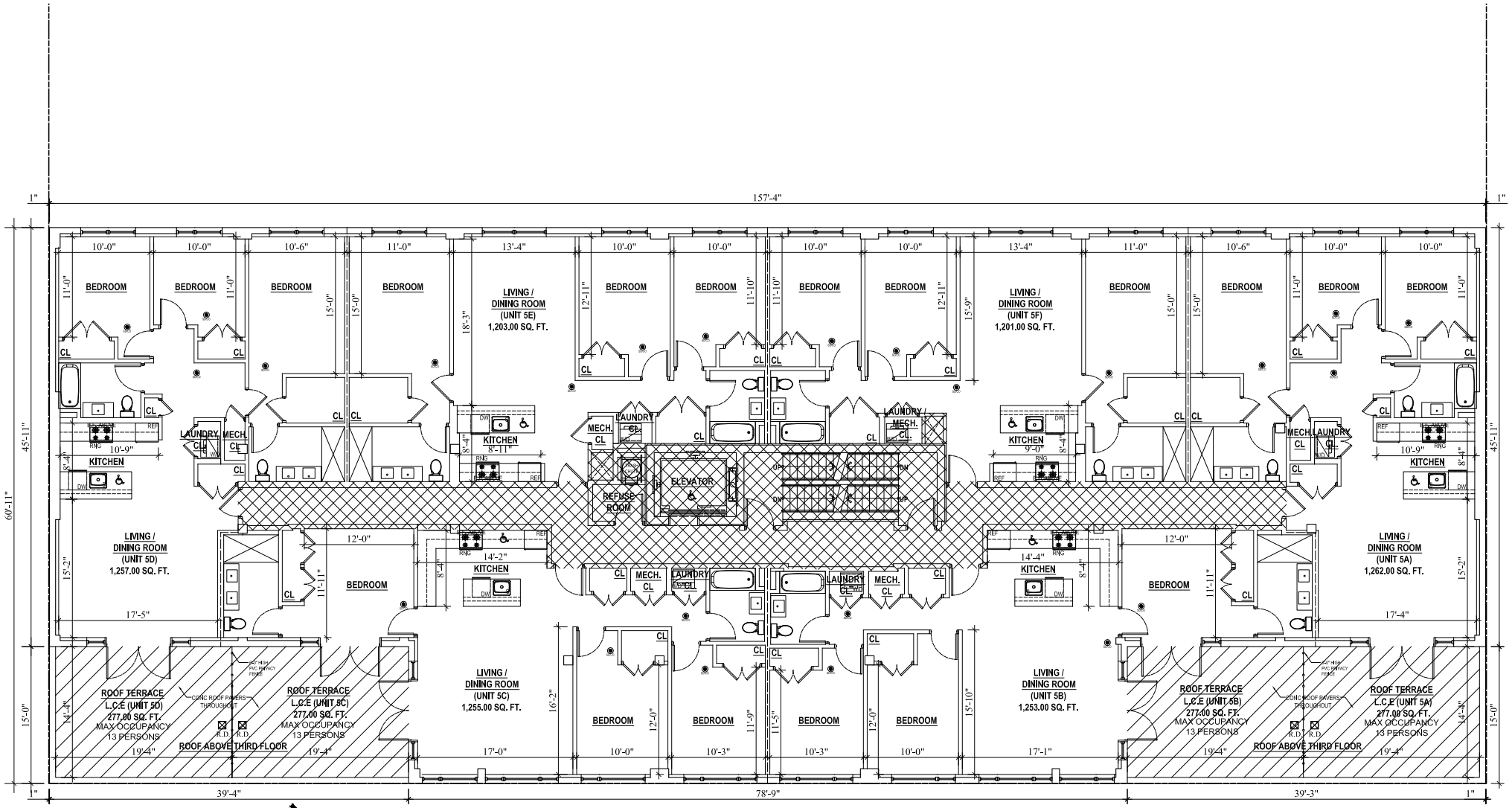
PROJECT NORTH

- COMMON AREAS
- LIMITED COMMON AREAS

APPLIANCE & EQUIPMENT LEGEND
W/D- INDICATES STACKABLE TYPE WASHER & ELEC.DRYERS
S - INDICATES KITCHEN SINK
REF - INDICATES REFRIGERATOR
DW - INDICATES DISHWASHER
RNG. - INDICATES ELECTRIC RANGE
EH - INDICATES COOK TOP EXHAUST HOOD

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

NOTE : THE HOME OFFICE MAY NOT BE USED AS A HABITABLE SPACE FOR SLEEPING, LIVING, OR COOKING IN UNIT 4A.




# FOURTH FLOOR PLAN

0 2' 4' 1' 3' 5' 10' 15' 20'

TRUE NORTH

PROJECT NORTH

- COMMON AREAS
- LIMITED COMMON AREAS

**BELLROSE CONDOMINIUM**

259 22ND STREET, BROOKLYN, N.Y.

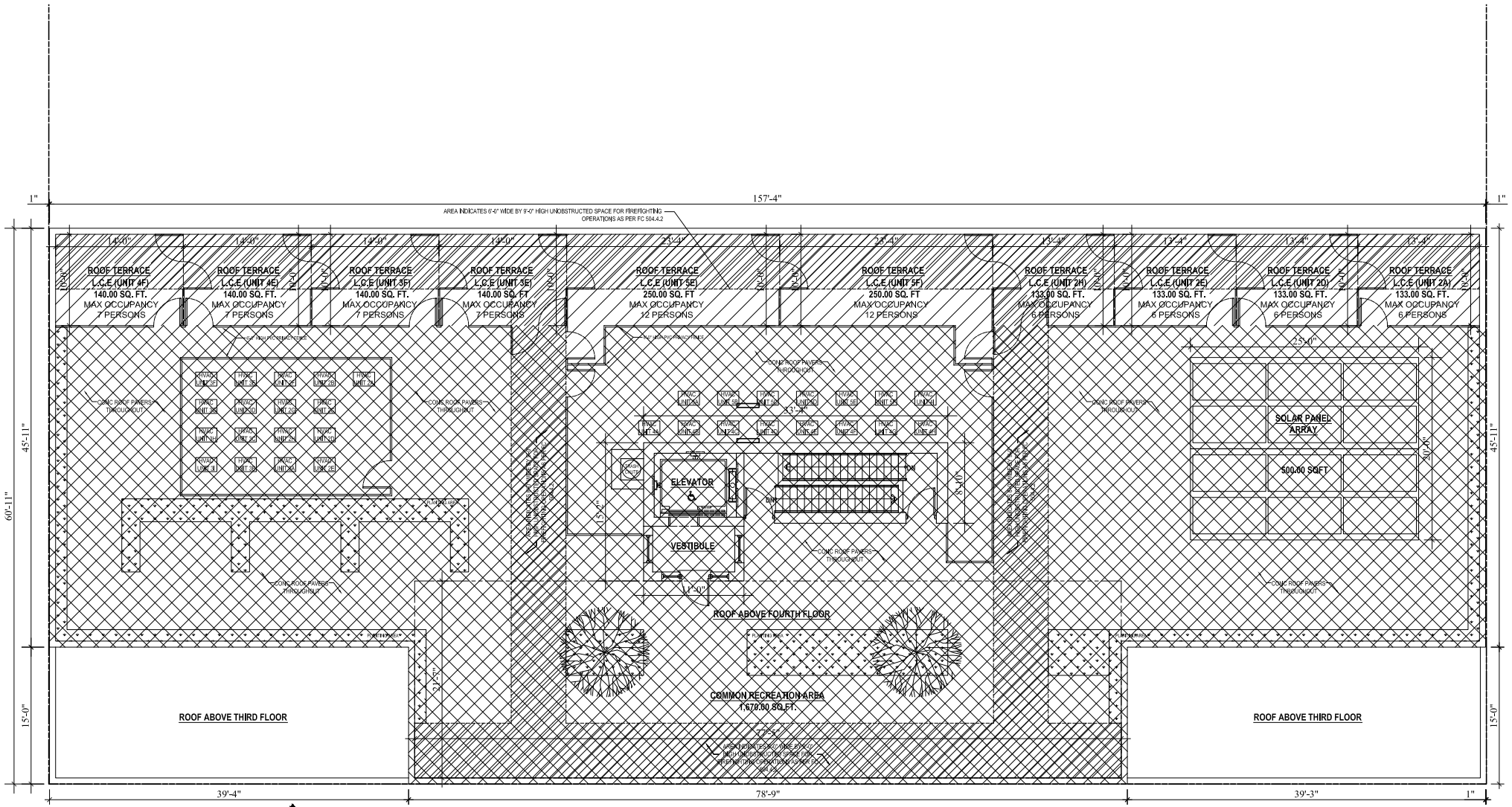
DATE CREATED : 02-02-26

DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

APPLIANCE & EQUIPMENT LEGEND

W/D- INDICATES STACKABLE TYPE WASHER & ELEC.DRYERS
S - INDICATES KITCHEN SINK
REF - INDICATES REFRIGERATOR
DW - INDICATES DISHWASHER
RNG. - INDICATES ELECTRIC RANGE
EH - INDICATES COOK TOP EXHAUST HOOD




# ROOF PLAN

0 1' 2' 3' 4' 5' 10' 15' 20'

**BELLROSE CONDOMINIUM**

259 22ND STREET, BROOKLYN, N.Y.

DATE CREATED : 02-02-26
DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

TRUE NORTH

PROJECT NORTH

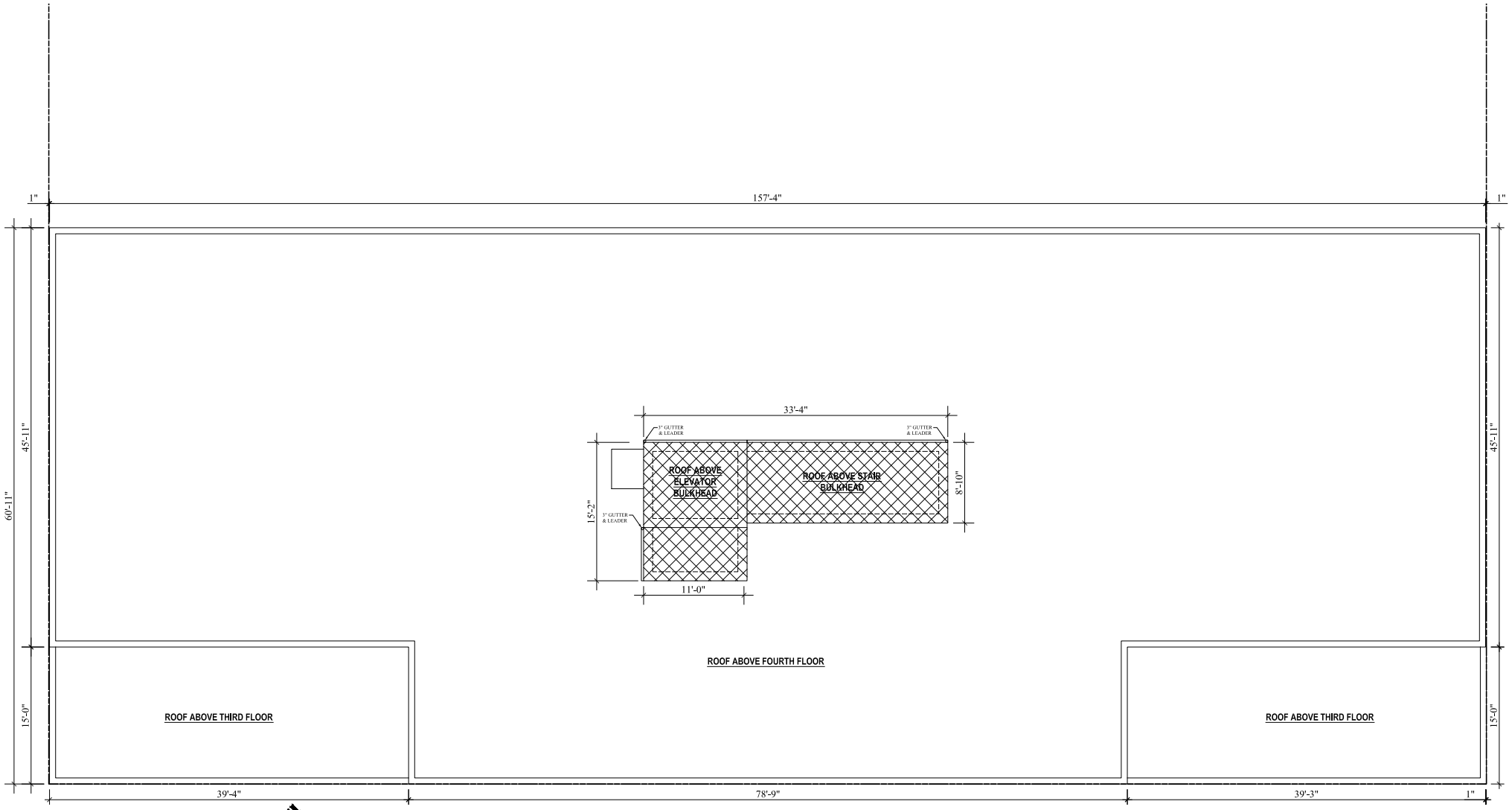
- COMMON AREAS
- LIMITED COMMON AREAS

APPLIANCE & EQUIPMENT LEGEND
R.D. - INDICATES ROOF DRAIN

NOTE : COMMON ROOF TERRACE REACREATION SPACE. MAX NUMBER OF PERSONS 83

NOTE : ROOF TERRACE ACCESSORY TO DWELLING UNITS. MAX NUMBER OF PERSONS 76

NOTE : THE UNIT OWNER CANNOT OBSTRUCT THE FIRE DEPARTMENT ACCESS PATH.




# BULKHEAD ROOF PLAN

1' 3' 5' 10' 15'
0 2' 4' 20'

TRUE NORTH

PROJECT NORTH

- COMMON AREAS

**BELLROSE CONDOMINIUM**
259 22ND STREET, BROOKLYN, N.Y.

DATE CREATED : 02-02-26
DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

NOTE : FLOOR PLAN SHALL INCLUDE ROOM OR SPACE DESIGNATIONS THAT CONFORM TO THOSE ON APPROVED DOCUMENTS OR APPLICABLE BUILDING CODE DESIGNATIONS.

## FRONT ELEVATION

1' 3' 5' 10' 15'
0 2 4' 20'

**BELLROSE CONDOMINIUM**
259 22ND STREET, BROOKLYN, N.Y.

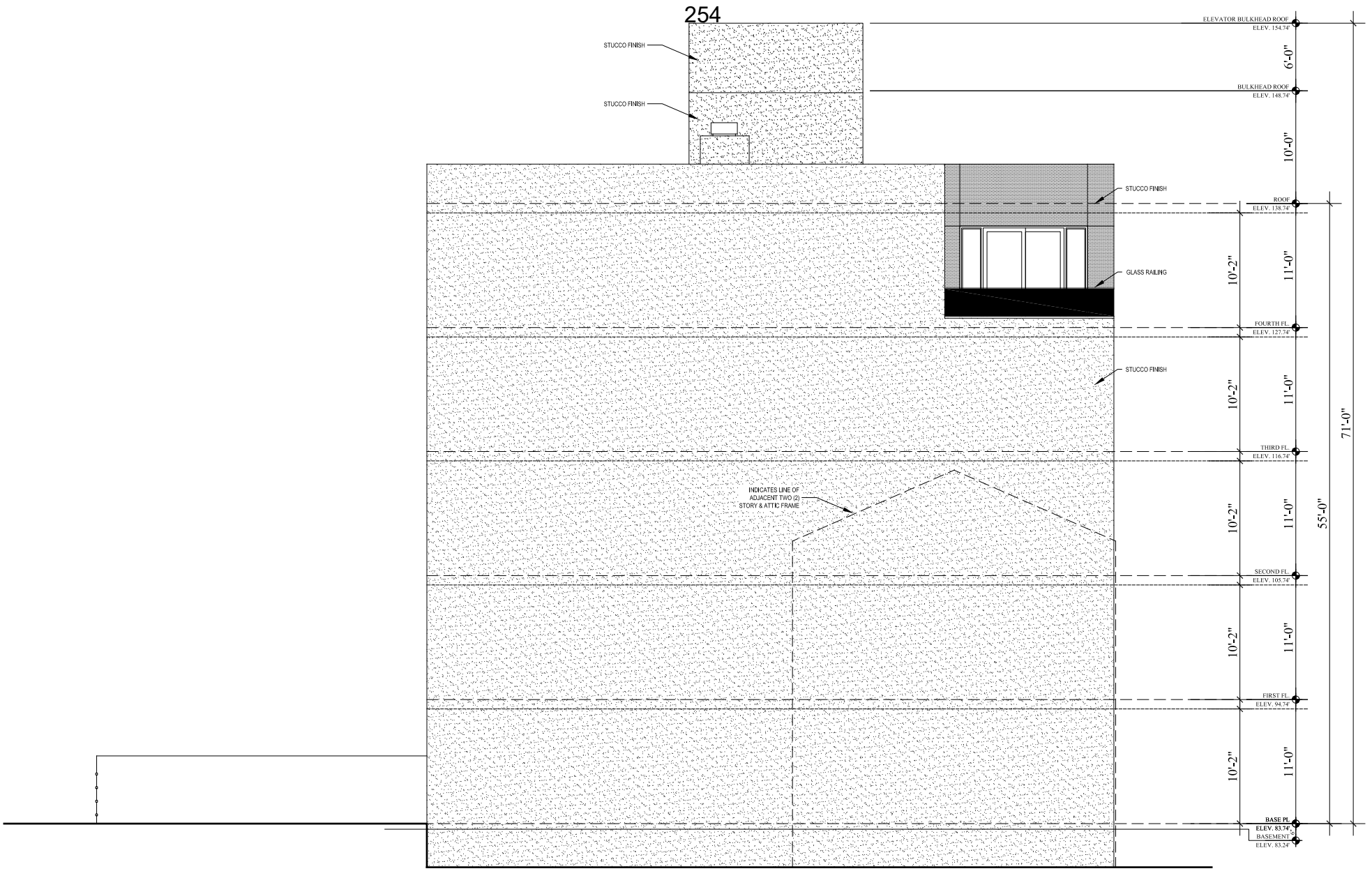
DATE CREATED : 02-02-26
DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

# REAR ELEVATION

1' 3' 5' 10' 15'
0 2' 4' 20'

**BELLROSE CONDOMINIUM**
259 22ND STREET, BROOKLYN, N.Y.

DATE CREATED : 02-02-26
DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.



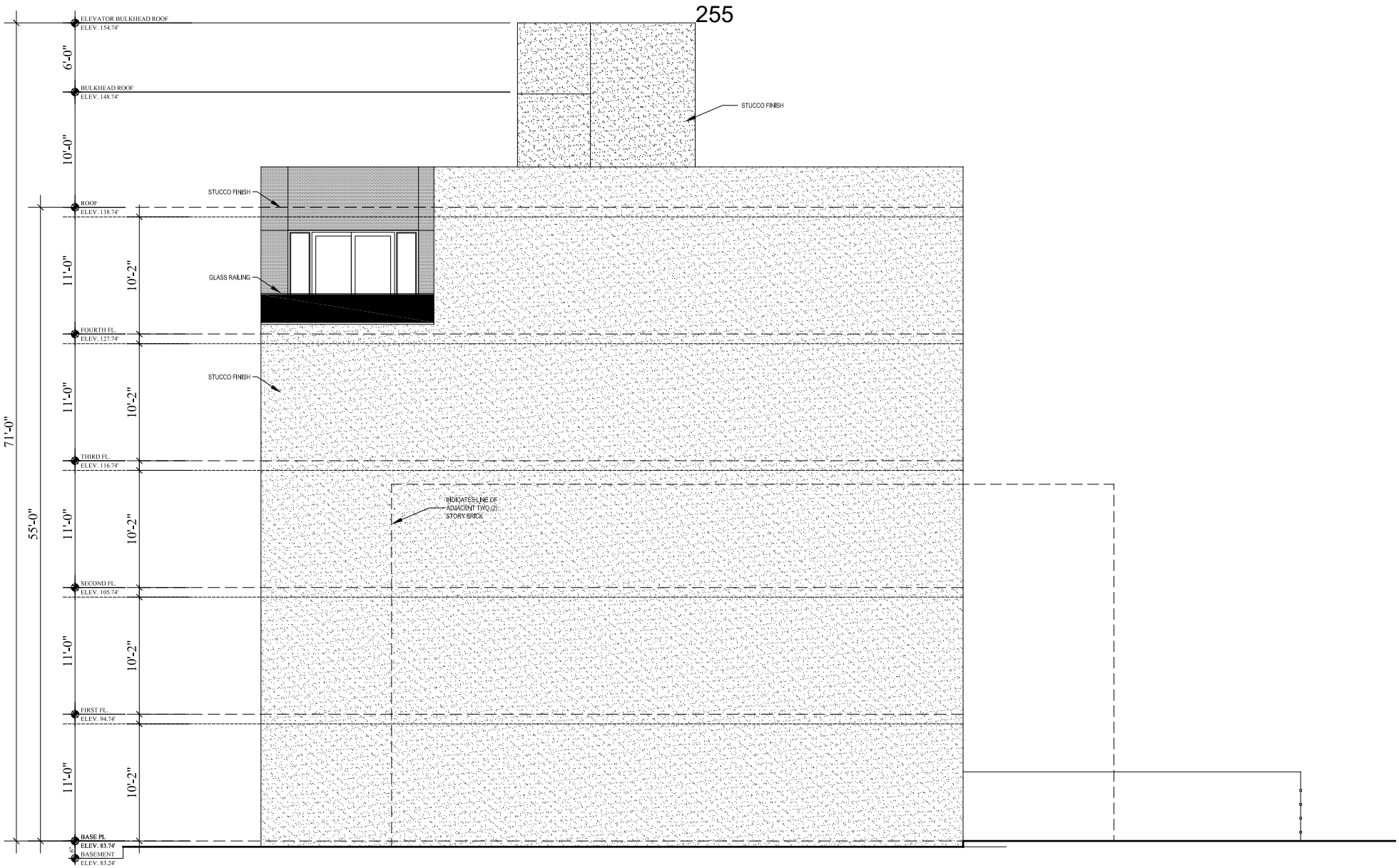

# SIDE ELEVATION

1' 3' 5' 10' 15'
0 2' 4' 20'

**BELLROSE CONDOMINIUM**

259 22ND STREET, BROOKLYN, N.Y.

DATE CREATED : 02-02-26
DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.




# SIDE ELEVATION

1' 3' 5' 10' 15'
0 2' 4' 20'

**BELLROSE CONDOMINIUM**

259 22ND STREET, BROOKLYN, N.Y.

DATE CREATED : 02-02-26
DRAWN BY : DESIGN STUDIO ASSOCIATES NY INC.

## FEE TITLE DESCRIPTION

A “Unit” as hereinafter referred to shall be defined as follows:

The square footage of each Unit has been based on the area measured horizontally approximately to the outside face of the masonry work at the exterior walls of the building and approximately to the non-unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces). Dimensions shall be to the centerline when a partition divides two units. However, any Common Elements located within a Unit, if any, shall not be considered a part of such Unit. As such the areas are not based upon measurements from interior surfaces of interior walls, and the actual, usable, floor area comprising the Residential Unit is substantially less than the area listed in Schedule A.

# DECLARATION

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP
OF PREMISES LOCATED AT
259 22ND STREET, BROOKLYN
COUNTY OF KINGS
CITY AND STATE OF NEW YORK, 11215
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK.

**CONDO #**

NAME: Bellrose Condominium

DECLARANT: 259 22nd Street, LLC
100 Quadrangle Suite 220
Jericho, New York 11753

DATE OF DECLARATION:

BLOCK: 897
FKA LOT: 14
NKA LOTS:

Record and Return to:

**MORITT HOCK & HAMROFF LLP**
Attorneys for the Sponsor
1407 Broadway, 39th Floor
New York, New York 10018

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# PLAN OF CONDOMINIUM UNIT OWNERSHIP

DECLARATION OF BELLROSE CONDOMINIUM
PURSUANT TO ARTICLE 9-B OF THE REAL
PROPERTY LAW OF THE STATE OF NEW YORK

In the Borough and County of Kings, City and State of New York on this day of , 202_ , 259 22nd Street LLC, a limited liability company organized and existing under the laws of the State of New York, whose principal office is situated at 100 Quadrangle Suite 220, Jericho, New York 11753, hereinafter referred to as the "Declarant" or Sponsor" represented in this Declaration by Daniel Kaykov, who is fully empowered and qualified to execute this Declaration on behalf of the company does hereby state:

**FIRST: SUBMISSION OF PROPERTY**. By this Declaration the Declarant submits the property described in this Declaration, including the land and the Building and all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith, to the provisions of Article 9-B of the Real Property Law of the State of New York.

**SECOND: DESCRIPTION OF PROPERTY**. The Declarant owns all that certain plot, piece or parcel of land, with the building and improvements thereon erected, situate, lying and being in Borough and County of Brooklyn, City and State of New York, and more particularly bounded and described on Exhibit A annexed hereto and made a part hereto.

**THIRD: DEFINITIONS**. The following words as hereinafter referred to shall be defined as follows:

1. "Board of Managers" - The governing body of the Condominium responsible for its affairs.

2. "Board Member" - Each individual representative elected, designated or appointed to the Board of Managers.

3. "Building" – The five (5) story building containing forty (40) Residential Units, seventeen (17) Parking Space Units, basement, cellar , roof and 15 Storage Spaces that will be licensed.

4. "By-Laws" - The document governing the operation of the Condominium.

5. "Common Charges" - Each Unit Owner's proportionate share of the General Common Expenses as determined in accordance with the Common Interest appurtenant to the Unit.

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

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

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

9. “Condominium” –Bellrose Condominium, which is comprised of the Common Elements, Residential Units, the Parking Space Unit and Unit Owners.

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

11. “Development” - As used herein refers to Bellrose Condominium.

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

13. “Managing Agent” – The management company engaged by the Condominium to handle the day to day operations and management of the community.

14. “Parking Space Units” - The seventeen (17) Parking Space Units, designated for parking use as identified in the Floor Plans in Part II of the Offering Plan, which are to be used solely for parking automobiles and other permitted vehicles.

15. “Residential Units” - The forty (40) Residential Units designated in the Declaration of Condominium for residential use. As used herein the terms “Residential Unit” is equivalent to the term “Unit” in Article 9-B of the Real Property Law of the State of New York.

16. "Sponsor" or "Declarant" – 259 22nd Street, LLC, a New York limited liability company with an address at 100 Quadrangle Suite 220, Jericho, New York 11753 and its successors and/or assigns.

17. Storage Room" – one (1) of the fifteen (15) individual storage rooms located in the cellar.

18. Storage Room License" –the revocable license agreement between Sponsor and Purchaser for the exclusive use of one of the fifteen (15) individual Storage Rooms

19. "Unit" - A Unit includes all the Units in the Condominium and is divided as follows:

    (a) "Residential Units" - The Units designated in the Declaration of Condominium for residential use.
    (b) "Parking Space Units" - The Units designated in the Declaration of Condominium for parking use.

As used herein the terms "Residential Units and Parking Space Units" are equivalent to the term "Unit" in Article 9-B of the Real Property Law of the State of New York.

20. "Unit Owner" – A Unit Owner includes all the Unit Owners in the Condominium and is divided as follows:

    (a) "Residential Unit Owner" – The owner of a Residential Unit.
    (b) "Parking Space Unit Owner" – The owner of a Parking Space Unit.

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

**FOURTH: COMMUNITY**. The Declarant is constructing on the parcel of land described above a Condominium Community known as Bellrose Condominium, according to the plans according to the plans, prepared by Paul Lombardi at Design Studios Associates, located at 527 Court Street Suites C3, Brooklyn, NY 11231, filed simultaneously with the recording of this Declaration in the Office of the Register of the City of New York, Brooklyn County, which Plans set forth a description of the Building stating the number of stories and number of Units.

The Condominium will contain forty (40) Residential Units and seventeen (17) Parking Space Units located in a five (5) story building with cellar, basement and roof,

as set forth on the Floor Plans filed simultaneously with this Declaration. The Building structure will be masonry, steel and concrete. Each of the Units has access to a public street by means of a walk, driveway or roadway. For the purposes of describing the location of a Building, approximate area, type and number of rooms of each Unit and the Common Elements to which each Unit has immediate access, each Unit is described on Schedule B annexed hereto. Each Unit will be sold to one or more Unit Owners, each Unit Owner obtaining fee ownership in, and exclusive right of occupancy and possession of, the Unit, together with an undivided interest in the Common Elements of the Condominium, as listed hereinafter in this Declaration, and referred to as the "Common Elements," all of the above in accordance with Article 9-B of the Real Property Law of the State of New York. Each Unit Owner will automatically become a part of the Condominium. The designation of the number of rooms, interior partitions and kitchen and bathroom facilities may be changed by mutual consent of the Declarant and the Unit Owner at the time of construction of the Unit.

The square footage of each Unit has been based on the area measured horizontally approximately to the outside face of the masonry work at the exterior walls of the building and approximately to the non-unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces). Dimensions shall be to the centerline when a partition divides two units. However, any Common Elements located within a Unit, if any, shall not be considered a part of such Unit. As such the areas are not based upon measurements from interior surfaces of interior walls, and the actual, usable, floor area comprising the Residential Unit is substantially less than the area listed in Schedule A.

The aforesaid Condominium has a total lot area of approximately 14,206 square feet.

**FIFTH: COMMON ELEMENTS**. The Common Elements will consist of the entire property, including all parts of the Building and improvements thereon, other than the Units, and will consist of General Common Elements to be shared by all Unit Owners and Limited Common Elements restricted in use to specified Unit Owners.

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

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

2. All foundations, columns, girders, beams and supports;

3. Those portions of the walls and partitions dividing Units located between the unexposed faces of the sheetrock walls enclosing the Units; those portions of the ceilings of the highest floor above the unexposed face of the sheetrock;

4. Roofs, stairs and stairways, which are not located wholly within a Unit and entrances to and exits from a Building other than entrances to the individual Units;
5. All improved and unimproved areas of the property outside the boundary of an individual Unit except for any Limited Common Elements;

6. All central and appurtenant installations in the Building or Property that provide service to the entire Building, such as power, light, telephone, television, gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces;

7. All sewer pipes and drainage pipes and facilities that provide service to the entire Building or two (2) or more Units;

8. All meter rooms, compactor rooms, refuse rooms, equipment rooms and any other mechanical rooms or areas that service two (2) or more Units;

9. All pedestrian walkways, intended for the common use of all Unit Owners;

10. The intercom system;

11. The lobby;

12. The outdoor recreation area;

13. A recreation room located on the cellar floor;

14. A fitness room located on the cellar floor,

15. The elevator (1);

16. The rear yard;

17. The bicycle storage area located in the sub-cellar;

18. The parking area, excluding the Parking Space Units (deeded); and

19. Recreational Area at the roof above the fourth level

20. All other parts of the property and all apparatus and installations existing in a Building or on the property for common use to all Units or necessary or convenient to the existence, maintenance or safety of the property.

**B. Irrevocably Restricted Areas/Limited Common Elements** - Certain portions of the Common Elements are irrevocably restricted in use to specified Units or Unit Owners, subject to the right of the Board of Managers of the Condominium to enter upon any restricted area for maintenance, repair or improvement of a Unit or Common Element and subject to the rules of the Board of Managers. Said irrevocably restricted Common Elements are also referred to as a Limited Common Element. Any portion of the Common

Elements, which is not restricted in use may be used by any Unit Owner. Following are detailed descriptions of the irrevocably restricted Limited Common Elements:

Residential Unit Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of an individual Residential Unit Owner and are herein, sometimes collectively referred to as the "Residential Unit Limited Common Elements":

(a) The open roof terrace area at the rear yard above part of cellar floor level will be a limited common element for Units 1F,1G & 1H.

(b) The open roof terrace areas above part of the third-floor level will be a limited common element for Units 5A, 5B, 5C, & 5D

(c) The open roof terrace area at the roof above the fourth-floor level will be a limited common element for Units 2A, 2D, 2E, 2H, 3E, 3F, 4E, 4F, 5F & 5E.

(d) The building will have one rear yard area, adjacent to rear façade of the building. The rear yard will be a limited common element for Units 1F, 1G & 1H and shall be accessible via the units located at the basement floor level.

(e) Any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements.

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

All repairs, maintenance and any replacement of any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities

in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively a Residential Unit shall be the responsibility of the Residential Unit Owner for such equipment services, etc.

All maintenance and repairs to the Parking Space Units, whether structural or non-structural, ordinary or extraordinary, will be made by the Board of Managers and the cost thereof will be a Common Charge payable by the Unit Owner of said Parking Space Unit.

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

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

The Balconies and/or terraces are not permitted to be used for storage or trash storage and are not permitted to be enclosed. Balcony and Terrace space may not be legally used as a bedroom or living room and to do so may result in a building code violation being issued for the building.

No flammable, combustible or explosive fluid, material, chemical or substance is permitted to be stored in the balconies and/or terrace.

There are a variety of different model types of Residential Units. See Schedule G in Part II of the Plan for a detailed description of each model. The land and all improvements to be erected thereon are hereinafter referred to as the “Development” or the “Condominium”.

**SIXTH: EASEMENTS**. All pipes and maintained wires, conduits and public utility lines located within each Unit shall be owned and maintained by such Unit Owner. Any portion of such pipes, wires, conduits and public utility lines located in the Common Elements and servicing two or more Units, will be owned in common by the Unit Owners. Every Unit Owner shall have an easement in common with the owners of other Units to maintain and use all pipes, wires, conduits and public utility lines located in other Units and servicing such Unit Owner’s Unit. Each Unit shall be subject to an

easement in favor of the Unit Owners of other Units to maintain and use the pipes, wires, conduits and public utility lines servicing such other Units and located in such Unit. The Board of Managers shall have a right of access to each Unit for maintenance, repair or improvements to any pipes, wires, conduits and public utility lines located in any Unit and servicing any other Unit or causing damage to any other Unit. The cost of such repairs shall be a Common Expense. In the event any portion of such pipes, wires, conduits and public utility lines is located in any of the Limited Common Elements, the cost of any repairs to such pipes, wires, conduits and public utility lines shall be the sole responsibility of the respective Unit Owner(s) for whom the Limited Common Element is limited in use. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not.

The Board of Managers shall have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easement in any portion of the Condominium as the Board of Managers shall deem necessary or desirable for the proper operation and maintenance of the Condominium, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of any Unit for its permitted purposes. Any utility company and its employees and agents shall have the right of access to or upon any Unit or the Common Elements in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants.

The Declarant, its successors, assigns, and purchasers of undeveloped or unsold Units, reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Elements of the Condominium for the purpose of completing construction and sale of the Units and facilities in the Condominium and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, solar energy panels and other utilities and for any other materials or services necessary for the completion of the work. The Declarant, its successors, assigns, and purchasers of undeveloped or unsold Units, also reserve the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the Common Elements. The Declarant, its successors and assigns, and purchasers of undeveloped or unsold Units, shall have an easement to erect and maintain general sales, leasing, business or administration offices and/or model Units, to erect, maintain, repair and replace from time to time one or more free-standing and other selling, directional and informational signs in/or on the Condominium as it deems necessary for the purposes of advertising the sale or lease of Units, and for the purpose of showing the Property to prospective Purchasers or lessees and for access to Units and Common Elements consistent with the purposes of the Declaration, as the same may be amended, and Declarant’s rights and obligations thereunder, including, without limitation the right to develop, renovate, maintain, repair,

refurbish, offer, sell and lease Units, together with their interest in the Common Elements. Finally, the Declarant, its successors, assigns and purchasers reserve the right to continue to use the Common Elements and any facilities, sales offices, model Units, signs located on the Common Elements, in its efforts to market or lease Units constructed in the Condominium and to complete construction of the Condominium. This paragraph shall not be amended without the consent of the Declarant.

Each Unit Owner hereby grants a right of access to and through their Unit to Declarant or its designee, and any contractors, subcontractors, agents, and employees of the foregoing for the purposes of the repair and completion of any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed or to be performed by or on behalf of Declarant with respect to the Common Elements and/or the Units.

The Board of Managers will have and each Unit will be subject to, an easement (a) to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace the General Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere in the Condominium and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements.

The Board of Managers shall have an easement through the Units for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing any portion of the Building.

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

Each Unit will have an easement for lateral and vertical support among all adjoining Units and Common Elements.

Any easements granted to Declarant, the Board of Managers, any Unit or any Unit Owner under this Declaration and the By-Laws may be exercised by such Declarant’s, Board of Managers or Unit Owner’s employees, agents, contractors, suppliers, customers, guests, invitees, licensees, servants, visitors, tenants, subtenants, tenants and/or tenant-shareholders, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by the Declarant, the Unit Owner or Board of Managers.

Each Unit Owner will have a right and easement to use its Unit and the Limited Common Elements appurtenant to such Unit, and the General Common Elements, subject to and in accordance with the terms and conditions of this Declaration and By-Laws.

All emergency vehicles and personnel, including, but not limited to, police, fire and medical shall be granted an easement of ingress and egress over, upon and through any access areas in Bellrose Condominium. This Paragraph may not be amended by the Unit Owners in the Condominium.

**SEVENTH: SERVICE OF PROCESS**: Service of process on the Unit Owners in any action with relation to the Common Elements shall be made upon the Secretary of State as the agent of the Board of Managers of the Condominium. The post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon him as agent for service of this Condominium during the period the Declarant controls the Board of Managers is: 100 Quadrangle Suite 220, Jericho, New York 11753.

Once the Declarant no longer controls the Board of Managers, the Board of Managers must notify the Secretary of State that the post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon him as agent of this Condominium is: Board of Managers, Bellrose Condominium, 259 22nd Street, Brooklyn, New York 11215 or such other address as the Board of Managers of the Condominium selects.

**EIGHTH: COMMON INTEREST**. Each Unit Owner shall have such percentage of interest in the Common Elements as is set forth in Schedule B attached hereto and shall bear such percentage of the Common Expenses of the Condominium except as otherwise described herein in reference to the Limited Common Elements. Each Unit Owner shall have one vote for all voting purposes at any meeting of the Unit Owners. The percentage of interest of each Unit in the Common Elements has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular unit. Said method of determining the percentage of Common Interest in a condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York.

**NINTH: ADMINISTRATION**. The administration of the Condominium, and parcel of land described herein shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto as Exhibit “B”.

**TENTH: AMENDMENTS AND WITHDRAWAL**.

A. The dedication of the property to Condominium ownership herein shall not be revoked or the property withdrawn from Condominium ownership unless eighty (80%) percent of the Unit Owners in number and in Common Interest and the first mortgagees, if any, of each of these same Units agree to such revocation or removal of the property from the Plan by duly recorded instruments.

B. The provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number held at a duly-called meeting of the Unit Owners, provided however, that:

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

2. No amendment shall be passed which shall: (i) be of a material adverse nature to mortgagees, or (ii) impair of prejudice the validity, interest, rights and priorities of mortgagees; unless 51% of mortgagees vote in favor thereto.

3. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of, to or from this Declaration, the By-Laws or any rules and regulations shall be effective in any way against the Cabana licensee(s) unless the affected licensee has given its prior written consent thereto.

4. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of, to or from this Declaration, the By-Laws or any rules and regulations shall be effective in any way against Declarant or its designee or any Unsold Unit, as long as the Declarant owns an Unsold Unit in the Condominium unless the Declarant has given its prior written consent thereto. This provision is not subject to amendment.

There shall be a presumption for a period of sixty (60) days subsequent to the recording of the amendment that the vote of the Unit Owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

In the event a mortgagee fails to submit a response to any written proposal for an amendment within 60 days after proper notice of the same was delivered by certified

or registered mail, with a return receipt requested, said mortgagees consent to such amendment will be implied.

C. The Declarant, its successors, assigns and purchasers of undeveloped or unsold Units shall have the right without vote or consent of the Unit Owners, the Board of Managers or the holders of Unit mortgages to execute or (on its request) to require the Board of Managers to execute and record in the Office of the Register of the City of New York, Brooklyn County and elsewhere, if required by law, an amendment or amendments to this Declaration (together with such other documents, plan and maps as may be required to effectuate the same) to reflect (i) the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the Building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units as built, or (ii) utility easements, or (iii) technical corrections to the Declaration to conform to other documents including but not limited to the Offering Plan or as-built plans (iv) to amend Schedule B of this Declaration to conform the model type, square footage and type and number of rooms and any other required information for a specified Unit, so long as the appurtenant percentage of Common Interest does not change for said Unit, or (v) to amend Schedule B of this Declaration to consolidate Units subject to all necessary approvals by the City of New York, to revise the square footage and type and number of rooms and any other required information for a specified Unit and to change the appurtenant percentage of Common Interest so long as the new percentage of Common Interest equals the combined percentage of Common Interest of the Units that were combined, or (vi) to effectuate permissible changes in unsold Units or (vii) to amend Schedule B to make technical corrections to said Schedule including, but not limited to, square footage of Units, assign or revise Limited Common Elements appurtenant to a Unit or to revise the number and description of rooms contained in a Unit or (viii) the carrying out of other provisions of the Offering Plan of Bellrose Condominium as same may be amended.

D. Any amendment to this Declaration shall not take effect until it is recorded in the Office of the Register of the City of New York, Brooklyn County.

Regardless of any other provision of this Declaration, no action for partition or division of the Common Elements shall be brought nor shall this plan of condominium ownership be terminated where such partition, division or termination will result in a violation of the then existing local zoning and building laws and codes.

**ELEVENTH: SUBJECT TO DECLARATION, BY-LAWS, ETC.** All present or future Unit Owners, tenants, future tenants, or any other person that might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration, the By-Laws and Rules and Regulations of the Condominium and the mere acquisition or rental of any of the Units of the Condominium or the mere act of use or occupancy of any of said Units shall signify that the provisions of this Declaration and the By-Laws and Rules and Regulations of the Condominium are accepted and ratified and all of such provisions shall be deemed and taken to be covenants running with the

land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance or lease thereof.

**TWELFTH: COMMON CHARGES.** All sums assessed as Common Charges by the Board of Managers of the Condominium but unpaid together with the maximum interest permitted in New York thereon, chargeable to any Unit Owner shall constitute a lien on his or her Unit prior to all other liens except: (a) tax or assessment liens on the Unit by the taxing subdivisions of any governmental authority, including but not limited to State, County, City, and School District taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any Unit. Such lien may be foreclosed when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium shall also have the right to recover all costs incurred including reasonable attorneys' fees and costs of collection (but such right shall not be a lien against the Unit). In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a Common Expense. However, where the holder of an institutional mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder obtains title by conveyance in lieu of foreclosure, such acquirer of title, his successors or assigns, shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges chargeable to such Unit which were assessed and became due prior to the acquisition of title to such Unit by such acquirer. In such event, the unpaid balance of Common Charges will be charged to all other Unit Owners as a Common Expense. The term "institutional mortgage" herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or other institutional lender or a mortgage granted by the Declarant to a purchaser of a Unit or in which the Declarant participates with one of the above.

In addition to the Board's right to bring an action to foreclose a lien on a Unit Owner's Unit, the Board (on behalf of the Unit Owners) shall have the right to bring suit to recover a money judgment for unpaid Common Charges at the option of the Board, without foreclosing or waiving the lien securing such charges. In such an event, the Condominium shall be entitled to recover all cost of suit including reasonable attorneys' fees.

Every Unit Owner shall pay the Common Charges assessed against the Unit Owner when due as determined by the Board of Managers and no Unit Owner may be exempt from liability for the payment of the Common Charges assessed against the Unit Owner by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of a Unit. However, no Unit Owner shall be liable for the payment of any Common Charges accruing subsequent to a sale, transfer or other conveyance by the Unit Owner of such Unit made in accordance with Section 339-x of the Real Property Law or in accordance with the provisions of this Declaration and the By-Laws.

**THIRTEENTH: UNITS ACQUIRED BY THE BOARD**. In the event any Unit Owner shall convey their Unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit at a foreclosure sale in accordance with Article IX of the By-Laws, title to such or the rights to the lease of such Unit shall be held by the Board of Managers or its designee on behalf of all of the other Unit Owners.

**FOURTEENTH: POWER OF ATTORNEY.** In order to carry out the provisions of Article Thirteenth of the Declaration and Article XI of the By-Laws, each Unit Owner shall, upon becoming such, grant an irrevocable power of attorney, coupled with an interest to the Board of Managers and their successors to acquire title or lease any such Unit acquired by the Board of Managers under whatever terms the Board may in its sole discretion deem proper and to sell, lease, sublease, mortgage, vote or otherwise deal with such Unit under such terms as the Board in its sole discretion shall deem proper. Each Unit Owner shall upon becoming a Unit Owner further grant an irrevocable power of attorney, coupled with an interest to the Board of Managers to nominate, designate, constitute and appoint the members of the Board of Managers of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a Unit Owner's Condominium Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium.

**FIFTEENTH: ENCROACHMENTS**. The Unit Owners agree that if any portion of a Unit or the Common Elements (whether restricted in use to an individual Unit Owner or not) encroaches upon another or shall hereinafter encroach upon another as a result of original construction or settling of the Building, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the Building is partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and is rebuilt, the Unit Owners agree that encroachments of any portion of the Unit or the Common Elements as aforedescribed due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed Building shall stand.

**SIXTEENTH: UNIT OWNERSHIP.** Upon the closing of title to a Unit, a purchaser shall automatically become a Unit Owner in the Condominium and shall remain such until such time as the Unit Owner ceases to own the Unit for any reason. Occupancy of the Units shall be restricted to residential occupancy in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium.

**SEVENTEENTH: USE OF UNITS.** Units shall be restricted to residential occupancy in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Community.

**EIGHTEENTH: CONVEYANCE OF A UNIT**. In any conveyance of a Unit, either by voluntary instrument, operation of law or judicial proceeding in accordance with this Declaration or the By-Laws, the Grantee of the Unit shall be jointly and severally liable with the Grantor for any unpaid Common Charges against the latter assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor. Any such Grantee shall be entitled to a statement from the Board of Managers setting forth the amount of the unpaid Common Charge against the Grantor and such Grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for any unpaid Common Charge against the Grantor in excess of the amount set forth in such statement. Grantee as used herein shall not include either the holder of an institutional mortgage of record or other purchaser of a Unit at a foreclosure sale of an institutional mortgage.

**NINETEENTH: COVENANT OF FURTHER ASSURANCES.** Any party subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, or the occupant of a portion of a Unit, a Member of the Board of Managers, an officer of the Condominium, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

If any Unit Owner or any other party subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request thereof, to take any action which the Unit Owner or such other party is required to take pursuant to this Declaration, then the Board of Managers is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, or other party and such document or action shall be binding on such Unit Owner or other party.

If any Unit Owner or the Board of Managers or any other party who is subject to the terms of this Declaration fails or refuses to execute, acknowledge or deliver any instrument, or fails or refuses within ten (10) days after request therefor, to take any action that the Board of Managers, any Unit Owner, or other party is required to take pursuant to this Declaration at the request of Declarant or Declarant's designee, then Declarant or Declarant's designee, as the case may be, is hereby authorized as attorney-in-fact for the Board of Managers, such Unit Owner, or other party, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board of Managers, such Unit Owner, or other party, and such document or action shall be binding on the Board of Managers, such Unit Owner, or other party, as the case may be.

Each Unit Owner will have the affirmative duty to maintain its respective Unit in such a manner so as to reasonably prevent and avoid inflicting harm to other Units, the Limited Common Elements, however described, the General Common Elements or the Building. In the event any Unit Owner causes or permits any condition, or fails to take any action to prevent a condition, that has a deleterious effect on another Unit, any Limited Common Element, the General Common Elements or the Building, the Condominium Board will give written notice to such Unit Owner including a request that the Unit Owner take specific steps to ameliorate such a condition ("Remedy Notice"). If the Unit Owner fails to remedy the condition within seven (7) days of the receipt of the Remedy Notice, or, if the condition is such that it cannot be remedied within seven (7) days, fails to commence appropriate remedies, the Condominium Board may, upon ten (10) business days additional notice to the Unit Owner, enter into the Unit and effect a reasonable remedy, at the Unit Owner's sole cost and expense. In the event a Unit Owner reasonably believes another Unit Owner has caused, permitted, or failed to prevent a condition that has a deleterious effect on its Unit, the first Unit Owner may request that the Board of Managers send a Remedy Notice. If the Board of Managers fails or otherwise determines not to send the Remedy Notice, the Unit Owner will have all rights to enjoin, abate or remedy by appropriate legal proceedings against the other Unit Owner or the Board of Managers, either at law or in equity, the continuance of any such condition or breach and to seek reimbursement for any costs or expenses incurred in connection therewith.

The Board of Managers will not promulgate and/or enforce any rules or regulations, or otherwise act, in a discriminatory manner.

**TWENTIETH: COVENANTS AND RESTRICTIONS**. The use of the Unit by the Unit Owner or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and Rules and Regulations of the Board of Managers and the following covenants and restrictions:

(a) The Unit and area restricted to the Unit Owner's use shall be maintained in good repair and overall appearance.

(b) No alteration, addition, decoration or change to any part of the Common Elements may be made and no structure or other improvement may be built or placed on any portion of the Common Elements or Limited Common Elements or any portion of the Condominium which affects two (2) or more Units, without the written consent of the Board of Managers. The provisions of this paragraph shall not apply to Declarant.

(c) No Unit Owner shall make any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Unit, any Limited Common Element or any portion of the Condominium which affects two (2) or more Units, without the prior written approval of the Board of Managers. In addition, no Unit Owner may alter or remove

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

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Unit or Limited Common Element shall be completed by the Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

In the event a Unit Owner violates this provision of the Declaration, the Board of Managers, in addition to all remedies it may have under this Declaration and the By-Laws, may institute legal action against the Unit Owner for the enforcement of this provision. In such an event the Unit Owner shall be responsible for the payment of reasonable attorney's fees of the Condominium, plus interest and costs of suit, as well as all costs associated with remedying the violation.

These provisions shall not apply to Units owned by the Declarant or its designee until such Units shall have been initially conveyed by the Declarant or such designee.

(d) Any interior alterations or improvements made to a Unit shall be made in accordance with all applicable rules, regulations, permits and zoning ordinances of any governmental agencies having jurisdiction thereof.

(e) Any Unit Owner who mortgages their Unit shall notify the Board of Managers providing the name and address of the mortgagee.

(f) The Board of Managers shall, at the request of the mortgagee of the Unit, report any unpaid Common Charges due from the Unit Owner of such Unit.

(g) No nuisances shall be allowed upon the property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

(h) No immoral, improper, offensive or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(i) Regulations promulgated by the Board of Managers concerning the use of the property shall be observed by the Unit Owners, provided, however, that copies of such regulations are furnished to each Unit Owner prior to the time the said regulations become effective.

(j) The Common Charges shall be paid when due.

(k) The Condominium will contain a common storage room, which shall be divided into fifteen (15) individual storage rooms (the “Storage Rooms”); each room shall be sold by Sponsor/Declarant pursuant to revocable license agreements (“Storage Room License Agreement”), on a first come first served basis. Storage Rooms may not be used to store any combustible or hazardous materials or other items that may be illegal or cause the Condominium insurance to be increased. Licensees of Storage Bin Licenses may only convey their Storage Rooms to current or future Residential Unit Owners. The Storage Rooms are part of the General Common Elements of the Condominium, which when licensed may be utilized in the same exclusive manner as a Limited Common Element. The Storage Rooms are uninhabitable and may not be legally used as a bedroom/dining/living room and to do so may result in a building code

violation. While Declarant still retains unsold Storage Room licenses, the Declarant shall be permitted to continue to sell or lease the Storage Room licenses and retain the proceeds from the sale or lease of same, even if Declarant has sold all Units in the Condominium.

**TWENTY-FIRST: FIRST LIEN HOLDERS' RIGHTS**

(a) Notices of Action. A holder, insurer or guarantor of a first mortgage shall be entitled to timely written notice of:

(1) Any proposed amendment of the Condominium instruments effecting a change in (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto, (ii) the interest in the general or Limited Common Elements appertaining to any Unit or the liability for common expenses appertaining thereto, (iii) the number of votes in the Condominium appertaining to any Unit or (iv) the purposes to which any Unit or the Common Elements are restricted;

(2) Any proposed termination of the Condominium regime;

(3) Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;

(4) Any delinquency in the payment of assessments or charges owed by a Unit Owner of a Unit subject to the mortgage of such eligible holder, insurer or guarantor, which such delinquency has continued for a period of sixty (60) days; and

(5) Any lapse, cancellation or material modification of any insurance policy maintained by the Condominium.

(6) Any proposed action that requires the consent of a specified percentage of mortgagees.

(b) Other Provisions for First Lien Holders. To the extent permitted under applicable law, the following protections for the benefit of first mortgage holders will be legally binding with respect to the Condominium:

(1) Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Declaration and the original plans and specifications unless the approval of the eligible holders

of first mortgages on Units to which at least fifty-one (51%) percent of the votes of Units subject to mortgages held by such eligible holders are allocated, is obtained;

(2) Any election to terminate the Condominium regime after substantial destruction or a substantial taking in condemnation of the Condominium property must require the approval of the eligible holders of first mortgages on Units to which at least fifty-one (51%) percent of the votes of Units subject to mortgages held by such eligible holders are allocated; and

(3) Unless the formula for reallocation of interests in the Common Elements after a partial condemnation or partial destruction of the Condominium project is fixed in advance by the Declaration or by applicable law, no reallocation of interests in the Common Elements resulting from a partial condemnation or partial destruction of the Condominium project may be effected without the approval of the eligible holders of first mortgages on Units to which at least eighty (80%) percent of the votes of Units subject to mortgages held by such eligible holders are allocated.

As used in this section, the term "eligible holder, insurer or guarantor" shall mean a holder, insurer or guarantor of a first mortgage on a Unit in a Condominium which has requested notice in accordance with the provisions of (a) above.

In the event a mortgagee fails to submit a response to any written proposal for an amendment within 60 days after proper notice of the same was delivered by certified or registered mail, with a return receipt requested, said mortgagees consent to such amendment will be implied.

**TWENTY-SECOND: SPECIAL RIGHTS OF DECLARANT.**

Notwithstanding anything to the contrary contained herein Declarant, its successors, assigns or designees shall have the right, without requiring the consent of either the Condominium or Board of Managers, and without charge or limitation, to:

(a) have its employees, contractors, subcontractors and sales agents present on the properties described in Exhibit “A” and any Building erected thereon;

(b) erect and maintain signs and other promotional materials (including, without limitation, “For Sale”, and “For Rent” signs), in connection with the promotion, sale, leasing, management, or operation of the Units;

(c) use any one or more Units as;

(i) model Units,
(ii) offices for the promotion, sale, rental, management and/or operation of any unsold Units,
(iii) offices in connection with any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to the Common Elements and/or the Units; or any unsold Units; and/or
(iv) for any other purpose;

(d) do and cause to be done all of the things that are necessary, desirable or appropriate (including, without limitation, the use of the Common Elements, the Units and any unsold Units) for the purpose of:

(i) the promotion, sale, rental, management and/or operation of any unsold Units,
(ii) the performance and completion of installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to the Common Elements and/or
(iii) the exercise performance and discharge of Declarant's other rights and obligations under this Declaration, the By-Laws or the rules and regulations;

(e) While Declarant still retains unsold Storage Bin licenses, the Declarant shall be permitted to continue to sell or lease the Storage Bin licenses and retain the proceeds from the sale or lease of same, even if Declarant has sold all Units in the Condominium. Declarant and owners of the Storage Bin licenses will be responsible for the costs and expenses associated with the maintenance of the sold and unsold Storage Bin licenses.

(e) make any other changes required by the City of New York or other Municipal Agency.

In no event, however, shall Declarant or such designee be entitled to use any portion of the Common Elements in such a manner as will unreasonably interfere with the use of the same or of any Unit for its permitted purposes.

The provisions of this Article Twenty-Second may not be amended without the written consent of the Declarant, or its successors or assigns.

**TWENTY-THIRD: INVALIDITY**. Invalidation of any of the covenants, limitations or provisions of the Declaration by judgment or court order shall in no wise

affect any of the remaining part or parts hereof, and the same shall continue in full force and effect.

**259 22ND STREET LLC**

Date: _____

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 Daniel Kaykov personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument the person or the entity upon behalf of which the person acted executed the instrument.

_____
NOTARY PUBLIC

# EXHIBIT A

TO FOLLOW DIRECTLY HEREAFTER

# DECLARATION OF CONDOMINIUM AND BY-LAWS

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP
OF PREMISES LOCATED AT
259 22ND STREET, BROOKLYN
COUNTY OF KINGS
CITY AND STATE OF NEW YORK, 11215
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK.

**CONDO #**

NAME: Bellrose Condominium

DECLARANT: 259 22nd Street, LLC
100 Quadrangle, Suite 220
Jericho, New York 11753

DATE OF DECLARATION: , 202_

BLOCK: 897
FKA LOT: 14
NKA LOTS:

Record and Return To:

**MORITT HOCK & HAMROFF LLP**
Attorneys for the Sponsor
1407 Broadway, 39th Floor
New York, New York 10018

# BY-LAWS

# OF

# BELLROSE CONDOMINIUM

**MORITT HOCK & HAMROFF LLP**
Attorneys for the Sponsor
1407 Broadway, 39th Floor
New York, New York 10018

**EXHIBIT B**
**to the Declaration of**
**Condominium**

# BY-LAWS

# OF

# BELLROSE CONDOMINIUM

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# BY-LAWS

# OF

# BELLROSE CONDOMINIUM

## ARTICLE I. PLAN OF CONDOMINIUM OWNERSHIP

**Section 1. Condominium Unit Ownership**. The property located at 259 22nd Street, Brooklyn, New York 11215, Kings County, City and State of New York as specifically set forth in the Declaration and more commonly known as Bellrose Condominium has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York.

**Section 2. By-Laws Applicability.** The provisions of these By-Laws are applicable to the Condominium. The term "Condominium" as used herein shall include the land and the Building and improvements thereon including the Condominium Units (hereinafter referred to as "Units"), and the Common Elements and the use and occupancy thereof, the term "Building" as hereinafter used shall be as defined in the Declaration of Condominium.

**Section 3. Personal Application.** All present or future Unit Owners, mortgagees and lessees, or their employees, guests or any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and any Rules and Regulations established by the Board of Managers. The mere acquisition or rental of any of the Units or the mere act of use or occupancy of any of said Units will signify that these By-Laws, the Declaration and the Rules and Regulations are accepted, ratified, and will be complied with.

**Section 4. Definitions**. The definitions contained in the Declaration of Condominium shall be applicable to these By-Laws unless otherwise indicated.

## ARTICLE II. CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

**Section 1. Condominium.** The Condominium shall be limited to Unit Owners.

**Section 2. Voting.** Each Residential Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote for each .01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or Units, for each Board Member to be elected, in proportion to the Common Interest of all Units unless otherwise mandated by law or expressly provided for in the Declaration of Condominium, if not appointed. The Non-Residential Unit Owners (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or more Units) shall be entitled to cast one vote for each.01% (rounded off to the nearest .01%) of Common Interest attributable to its Unit or

**Section 3. Quorum.** So many Unit Owners as shall represent at least fifty-one (51%) percent of the total authorized votes of all Unit Owners present in person or represented by written proxy shall constitute a quorum at all meetings of the Unit Owners for the transaction of business, except as otherwise provided by Statute, by the Declaration, or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Unit Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At such adjourned meeting so many Unit Owners as shall represent at least thirty-three and one-third (33⅓%) percent of the total authorized votes of all Unit Owners shall constitute a quorum. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called. If, however, such quorum shall not be present or represented at any meeting of the Unit Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At such adjourned meeting so many Unit Owners as shall represent at least twenty-five (25%) percent of the total authorized votes of all Unit Owners shall constitute a quorum. Any business may be transacted which might have been transacted at the meeting originally called.

**Section 4. Vote Required to Transact Business.** When a quorum is present at any meeting, the vote of a majority of the Unit Owners present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Unit Owners, unless the question is one upon which, by express provisions of the Declaration, Statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

**Section 5. Right to Vote.** At any meeting of Unit Owners, every Unit Owner having the right to vote shall be entitled to vote in person, or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

**Section 6. Proxies.** All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

**Section 7. Waiver and Consent**. Whenever the vote of Unit Owners at a meeting is required or permitted by any provision of the Declaration, Statutes or of these By-Laws to be taken in connection with any action of the Condominium, the meeting and vote of Unit Owners may be dispensed with if all Unit Owners who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

**Section 8. Place of Meetings.** Meetings shall be held at such suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

**Section 9. Annual Meetings Control of Board of Managers by Sponsor.** The initial Board of Managers will call for the first annual meeting of the Unit Owners to elect a new Board of Managers within one (1) year of the closing of the first Unit. At such meeting, Members of the Board of Managers shall be elected by the Unit Owners, other than the Members of the Board the Sponsor shall have the right to designate, and the former Members of the Board shall thereupon resign. Thereafter annual meetings shall be held on the anniversary of such date each succeeding year or such other convenient date as the Board of Managers may so designate. At such meetings there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article III of these By-Laws. The Unit Owners may also transact such other business of the Condominium as may properly come before them. The Sponsor will have voting control and may designate a majority of the Board of Managers for period ending (i) five (5) years from date of the closing of the first Residential Unit, or (ii) one hundred and twenty (120) days after the closing of ninety-five (95%) percent of all Residential Units in the Condominium, whichever is earlier. Thereafter, the Sponsor shall retain the right to designate one (1) Member of the Board of Managers until such time as Sponsor no longer owns a Unit. At such time, as Sponsor no longer owns a Unit in the Condominium, Sponsor may not hold a seat on the Board of Managers.

**Section 10. Special Meetings.** It shall be the duty of the President to call a special meeting of the Condominium, if so directed by the Board of Managers, or upon the presentation to the Secretary of a petition signed by a majority of the Unit Owners. The secretary shall cause a notice of such special meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 11 of this Article to each Unit Owner of the Condominium entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The date of the special meeting shall be determined by the Board of Managers and shall be held no later than sixty (60) days from receipt of any written request pursuant to this Section 10 unless a later date is agreed to in writing by the Unit Owners of the Condominium or the Board of Managers, requesting such meeting. No business other than that stated in such notice shall be transacted at such special meeting unless all Unit Owners of the Condominium are present in person or by proxy. Any or all of the Board of Managers of the Condominium, other than those designated by the Declarant may be removed without cause by vote of the Members at a special meeting called pursuant to this section if the meeting is called for such purpose.

**Section 11. Notice of Meetings**. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at least ten (10) but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

**Section 12. Order of Business.** The order of business at all meetings shall be as follows:

(a) Roll Call
(b) Proof of notice of meeting or waiver of notice
(c) Reading of minutes of preceding meeting
(d) Report of officers
(e) Report of committees
(f) Election of inspectors of election (in the event there is an election and only if requested by a Unit Owner present at the meeting)
(g) Election of managers (in the event there is an election)
(h) Unfinished business
(i) New business

## ARTICLE III. BOARD OF MANAGERS

**Section 1. Number and Term.** The affairs of the Condominium shall be governed by a Board of Managers. The first Board of Managers shall consist of three (3) Members designated by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of the Unit Owners. Until succeeded by the Members elected at the first annual meeting of Unit Owners, Members need not be Unit Owners; thereafter, all Members, other than designees or nominees of the Sponsor, shall be Unit Owners. The Members shall be elected or designated at the annual meeting of the Unit Owners.

At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II a total of three (3) Members shall be elected or designated. All Members, other than those designated by the Sponsor, shall be elected by the Unit Owners. The term of office of one (1) of the Members shall be fixed for three (3) years, the term of office of one (1) of the Members shall be fixed at two (2) years, and the term of office of one (1) of the Members shall be fixed at one (1) year. Separate ballots shall be conducted for each of the three terms of office. Each Unit Owner shall be entitled to cast one vote on each ballot for each Unit owned. The one nominee(s) on each of the ballots, as the case may be, receiving the highest number of votes on their ballot shall constitute the duly elected Board of Managers. At the expiration of the initial term of office of each respective Member, the Member's successor shall be elected to serve a term of three (3) years. The Members shall hold office until their successors have been elected and hold their first meeting.

Notwithstanding the foregoing, the Sponsor will have voting control and may designate a majority of the Board of Managers for period ending (i) five (5) years from date of the closing of the first Residential Unit, or (ii) one hundred and twenty (120) days after the closing of ninety-five (95%) percent of all Residential Units in the Condominium, whichever is earlier. Thereafter, the Sponsor shall retain the right to designate one (1) Member of the Board of Managers until such time as Sponsor no longer owns a Unit.

This Section may not be amended without the written consent of Sponsor.

**Section 2. Vacancy and Replacement**. If the office of any Member or Members becomes vacant by reasons of death, resignation, retirements, disqualification, removal from office or otherwise, a majority of the remaining Members, though less than a quorum, at a special meeting of Members duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred. The Board of Managers shall also have the right to call for a special meeting in accordance with Article II, Section 10 to elect the Member's successor to fill the unexpired portion of the term of office. In the event of the failure to hold any election of the Board of Managers at the time designated for the annual election of the Board of Managers or in the event that the Board of Managers shall not have filled any such vacancy, a special meeting of the Unit Owners to elect a new Board of Managers or to fill such vacancy or vacancies may be called in the manner generally provided for the calling of special meetings of the Unit Owners. If the vacancy occurs with respect to any Member of the first Board of Managers (see Section 4 of this Article III) or any other Member who has been designated by the Sponsor and the Sponsor still retains ownership of at least one (1) Unit, the Sponsor shall have the sole right to choose such Member's successor to fill the unexpired portion of the term.

**Section 3. Removal.** Members may be removed for cause by an affirmative vote of a majority of the Unit Owners. No Member, other than a Member of the first Board of Managers or a designee of the Sponsor, shall continue to serve on the Board if, during their term of office, they shall cease to be a Unit Owner. In the event a Sponsor designee is removed for cause and the Sponsor still retains ownership of at least one (1) Unit, the Sponsor shall have the sole right to designate a replacement.

**Section 4. Resignation.** Any Member may resign at any time by written notice delivered in person or sent by certified registered mail to the President or Secretary of the Condominium. Such resignation shall take effect at the time specified therein. Acceptance of such resignation shall not be necessary to make it effective.

**Section 5. First Board of Managers**. The first Board of Managers of the Condominium will consist of Daniel Kaykov and Val Katayev, both of whom are Principals of the Sponsor, and will exercise all powers of the Board of Managers until the first annual meeting of Unit Owners. The Sponsor has the right to substitute or change any or all of said representatives of the first Board of Managers. Any or all of said Members shall be subject to replacement in the event of resignation or death in the manner set forth in Section 2 of this Article.

**Section 6. Powers**.

(a) The property and business of the Condominium shall be managed by its Board of Managers, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute or by the Declaration or by these

By-Laws, directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but not be limited to, the following items:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

15. To make payment for the real estate taxes assessed to the Building until the Units are separately assessed for taxes and to collect a reasonable adjustment for same from the individual Unit Owners.

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

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

(b) The Board of Managers may, by resolution or resolutions passed by a majority of the whole Board, designate one or more committees, each of such committees to include at least one (1) Member which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Managers in the management of the business affairs of the Condominium and may have power to sign all papers which may be required, provided the said resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Managers. Committees established by resolution of the Board of Managers shall keep regular minutes of their proceedings and shall report the same to the Board as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws, for a period ending not more than five (5) years after the closing of title to the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the Common Interest, whichever is sooner, the Board of Managers, may not, without the Sponsor's prior written consent: (i) make an addition, alteration or improvement to the Common Elements or to any Unit, costing cumulatively more than $25,000, the foregoing not to include necessary repairs and maintenance work, or (ii) assess any Common Charges for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund, in excess of the reserve for contingencies contained in the Condominium budget for the first year of operation, (iii) hire any employee in addition to the employees referred to in the Plan of Condominium ownership, or (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of closing of the first Unit, or (v) borrow money on behalf of the Condominium, (vi) reduce the services or maintenance set forth in the Condominium budget for the first year of operation, or (vii) charge any special Common Charge assessment for a non-budgeted item unless required by law, municipal agency, emergency or for the health and safety of the Condominium; or (viii) increase the Common Charges of the Condominium more than ten (10%) percent from the prior year's budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates, evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize Condominium funds or assess the Sponsor in order to commence a lawsuit against the Sponsor or any of its principals.

(d) Notwithstanding Article III, Section 6(c) of these By-Laws Sponsor may not exercise veto power over expenses described in the proposed first year budget, as described in the Offering Plan, or over expenses required:

(i) to comply with applicable laws or regulations; or

(ii) to remedy any notice of violation; or

(iii) to remedy any matter regarding the health and safety of the occupants of the Building; or

(iv) to remedy any work order by an insurer.

(e) Sponsor may exercise veto power over expenses, other than those described in Article III, Sections 6(c) and (d) of the By-Laws, for a period ending not more than five (5) years after the closing of the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the common interest, whichever is sooner.

The provisions of this paragraph may not be amended without the written consent of Sponsor.

**Section 7. Repairs and Maintenance**. All maintenance, repairs and replacements to the Common Elements including but not limited to exterior walls of the Building, windows, roof and roof members, as well as all maintenance, repairs and replacements to any pipes, wires, conduits and public utility lines, any portion of which is located in one Unit and services another Unit or more than one (1) Unit or so much of any pipes (including sewer and water pipes), wires, conduits and public utility lines as are located in the Common Elements but serve one or more Units shall be made by the Board of Managers and the cost thereof shall be a Common Charge payable by all Unit Owners. The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the Common Elements.

All maintenance (including electrical and plumbing repairs in the Units and painting and decorating of the inside of the Units), repairs and replacements to the Units including windows (including all glass breakage), doors, windows and doors which open from a Unit (except painting and maintenance of the exterior surface which is performed by the Board of Managers on behalf of the Condominium), and repairs to any heating (boiler)/air conditioning/hot water system servicing a Unit, pipes, wires and conduits located within or without the same Unit other than as set forth above shall be made by the respective Unit Owners at their own expense.

All general maintenance, repairs and replacements to a balcony or terrace that is a Limited Common Element, including cleaning, snow removal and all repairs not structural in nature, including the repair of leaks and the repair or replacement of the balcony or terrace surface shall be the responsibility of the Unit Owner whose balcony or terrace is appurtenant to their Unit and is a Limited Common Element of their Unit. No Unit Owner shall make any addition, alteration or improvement (of either a temporary or permanent nature) of a structural nature in or to any Limited Common Element, without the prior written approval of the Board of Managers. Any repair or replacement to any Limited Common Element by a Unit Owner, if permitted, shall conform to the requirements contained in Article Eighteenth (2) of the Declaration of Condominium. The balconies and terraces are not permitted to be used for storage and are not permitted to be enclosed. All repairs, maintenance and any replacement of any heating, cooling or other mechanical system servicing an individual Unit that is located in or on the Common Elements and/or all apparatus, installations, systems equipment and facilities in the

Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which serve or benefit a Unit exclusively shall be the responsibility of the Unit Owner. All repairs to the exterior of any door, building, open area or other generally visible portion of the Condominium must be in conformation with the style and colors initially installed by the Sponsor.

All maintenance, repairs and replacements to the Storage Room Limited Common Elements will be made by the Board of Managers and the cost thereof will be a Common Expense payable by all Unit Owners.

The Board of Managers on behalf of the Condominium shall repair and replace any public utility lines located underground or overhead of any Limited Common Element except where such repair or replacement is necessitated because of the negligence or misuse or neglect of the Unit Owner to which the Common Element is restricted in use, in which event such Unit Owner shall make such repairs or replacements at their own expense.

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

All replacements, repairs, painting or maintenance, whether made by the Unit Owner or by the Board of Managers to the doors, windows, or the exterior surface of a Unit, including roofs, or to any generally visible portion of the Common Elements shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor and shall comply with the requirements of Article Twentieth (c) of the Declaration of Condominium.

In the event that a Unit Owner fails to perform any maintenance or repair which maintenance or repair is necessary to protect any of the Common Elements or any other Unit, the Board of Managers shall have the right to make such maintenance or repair (after the failure of the Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of any emergency situation) and to charge the Unit Owner for the cost of all such repairs and/or maintenance. In the event that the

Board of Managers charges a Unit Owner for repairs or maintenance to Unit Owner's Unit or for repairs to any Common Element restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, the Unit Owner shall be liable for the reasonable Attorneys' fees and costs of such suit or proceeding together with interest on all sums due.

**Section 8. Compensation**. Members and officers, as such, shall receive no compensation for their services.

**Section 9. Meetings**.

(a) The first meeting of each Board newly elected by the Unit Owners shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Managers shall be held at the same place as the Unit Owners meetings, and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board shall take place.

(b) Regularly scheduled meetings of the Board may be held without special notice.

(c) Special meetings of the Board may be called by the President on two (2) days notice to each Member either personally or by mail or telegram. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least two (2) Members.

(d) At all meetings of the Board, a majority of the Members shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of the majority of the Members present at any meeting at which there is a quorum shall be the act of the Board of Managers, except as may be otherwise specifically provided by statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meetings of Members, the Members present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(e) Before or at any meeting of the Board of Managers, any Member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

(f) Members of the Board may participate in a meeting by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting.

**Section 10. Annual Statement**. The Board of Managers shall furnish to all Unit Owners and their mortgagees and shall present annually (at the annual meeting, but in no event later than four (4) months after the close of the fiscal year) and when called for by a vote of the Unit Owners at any special meeting of the Unit Owners, a full and clear statement of the business conditions and affairs of the Condominium, including a balance sheet and profit and loss statement verified by an independent public accountant and a statement regarding any taxable income attributable to the Unit Owner and a notice of the holding of the annual Unit Owners meeting.

**Section 11. Fidelity Bonds**. The Board of Managers shall require that all officers and employees of the Condominium handling or responsible for Condominium funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a common expense.

**Section 12. Management Agent**. The Board of Managers may employ for the Condominium a management agent under a term contract or otherwise at a compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to, all of the delegable duties of the Board listed in this Article.

**Section 13. Liability of the Board of Managers, Officers and Unit Owners**. No Member of the Board of Managers or officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner for damages for any breach of duty in his or her capacity as a Member of the Board or officer, provided that this provision does not eliminate or limit the liability of a Member of the Board or officer if a judgment or other final adjudication adverse to him or her establishes (a) that his or her acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

The Condominium, through the Unit Owners, shall indemnify to the fullest extent permitted by law any person made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Condominium to procure a judgment in its favor or an action other than one by or in the right of the Condominium and including an action by or in the right of any corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any Member of the Board or officer of the Condominium served in any capacity at the request of the Condominium, by reason of the fact that he, his testator or intestate, was a Member of the Board or officer of the joint venture, trust, employee benefit plan or other enterprise in any capacity; provided that no indemnification may be made to or on behalf of any Member of the Board or officer if a

judgment establishes that his or her acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he or she personally gained in fact a financial profit or the advantage to which he or she was not legally entitled.

The Unit Owners shall indemnify and hold harmless each of the Members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provision of the Declaration or of these By-Laws. It is intended that the Members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). It is understood and permissible for the original Board of Managers, who may be members of or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the Member of the Board of Managers shall be limited to such proportion of the total liability thereunder as his or her interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent or by the manager on behalf of the Condominium shall provide that the Members of the Board of Managers, or the managing agent, or the manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners).

Each Unit Owner's liability pursuant to this Section shall be limited to such proportion of the total liability thereunder as his or her interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

## ARTICLE IV. OFFICERS

**Section 1. Elective Officers.** The officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Managers may also choose one (1) or more Assistant Secretaries and Assistant Treasurers and such other officers as in their judgment may be necessary. All officers must be Unit Owners, Members of the first Board of Managers or designated Members of the Board of Managers of the Sponsor. Two (2) or more offices may be held by the same person, except that the President may only hold the office of President.

**Section 2. Election.** The Board of Managers at its first meeting after each annual Unit Owners Meeting shall elect a President, a Vice-President, a Secretary and a Treasurer. Only the President must be a member of the Board.

**Section 3. Appointive Officers**. The Board may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall

exercise such powers and perform such duties as shall be determined from time to time by the Board.

**Section 4. Term.** The officers shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Managers may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Managers.

**Section 5. The President.** The President shall be the chief executive officer of the Condominium; the President shall preside at all meetings of the Unit Owners and Members, the President shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a stock corporation organized under the Business Corporation of the State of New York.

**Section 6. The Vice-President.** The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a stock corporation organized under the Business Corporation Law of the State of New York.

**Section 7. The Secretary**. The Secretary and/or Assistant Secretary shall attend all sessions of the Board and all Unit Owners meetings and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all Unit Owners meetings and special meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the Board of Managers or by the President, under whose supervision the Secretary shall be.

**Section 8. The Treasurer.** The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements, and shall deposit all monies and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

The Treasurer shall disburse the funds of the Condominium as may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Members, at the regular meeting of the Board or whenever they may require it, an account of all transactions as Treasurer and of the financial condition of the Condominium.

The Treasurer shall keep detailed financial records and books of account of the Condominium, including a separate account for each Unit which, among other things,

shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

**Section 9. Agreements, etc.** All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Managers.

**ARTICLE V. NOTICES**

**Section 1. Definition.** Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any Member or Unit Owner, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper, addressed to the Board of Managers, such Member or Unit Owner at such address as appears on the books of the Condominium.

**Section 2. Service of Notice-Waiver.** Whenever any notice is required to be given under the provisions of the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

**ARTICLE VI. FINANCES**

**Section 1. Checks**. All checks or demands for money and notes of the Condominium shall be signed by the President and Treasurer, or by such other officer or officers or such other person or persons as the Board of Managers may from time to time designate.

**Section 2. Assessments**. The Board of Managers shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and shall send a copy of the budget and supplement to the budget to every Unit Owner and mortgagee. They shall determine the total amount required, including the operational items such as insurance, repairs, reserves, betterments, maintenance of the Common Elements and other operating expenses as well as charges to cover any deficits from prior years.

The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the respective Common Interest appurtenant to such Units. This proration of assessments shall remain constant regardless of the percentage of the building square footage included in each Unit or the Common Elements restricted to the use of the Unit Owner of said Unit.

Said assessments shall be payable monthly or such other manner as ordered by the Board of Managers and shall be referred to as Common Charges. Special Common Charge assessments, should such be required, shall be levied and paid in the same manner as herein above provided for regular assessments.

The Unit Owner agrees to pay promptly when due the monthly Common Charges and all special Common Charge assessments assessed against the Unit Owner's own Unit. In the event any Unit Owner fails to make payment of the Unit Owner's Common Charge payment, the Unit Owner who owns such Unit shall be obligated to pay (a) a "late charge" of $.15 for each $1.00 of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) interest at the rate of two (2%) percent per month (but in no event in excess of the maximum rate theretofore collected on such amounts) computed from the due date thereof, and (c) all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit Owner's Unit arising from said unpaid Common Charges in the manner permitted by applicable law. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner.

In addition, in the event of a default in payment of Common Charge assessments by any Unit Owner, the Board, at its sole option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default the Board shall send notice to the delinquent Unit Owner and the mortgagee, if any, of such Unit giving the Unit Owner a five (5) day grace period in which to make the late payment.

The Board may take action to collect any Common Charges due from any Unit Owner which remains unpaid ninety (90) days from its due date by way of foreclosure of the lien on such Unit in accordance with Section 339 of the Real Property Law or otherwise. During the period of time the Sponsor retains a majority of the seats of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than thirty (30) days in arrears of Common Charges.

No Unit Owner shall be liable for any Common Charges, which accrue against the Unit Owner's Unit subsequent to a sale, transfer or other conveyance of the Unit by the Unit Owner in accordance with these By-Laws and the Declaration. A purchaser of a Unit shall be liable for the payment of all future Common Charges assessed against the Unit as well as unpaid Common Charges assessed against the Unit at the time of the purchase. However, where a holder of an institutional mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder obtains title by conveyance in lieu of foreclosure, such acquiree of title, its successors or assigns, shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges chargeable to such Unit which were assessed and became due prior to the acquisition of title to such Unit by such acquiree. In such event, the unpaid balance of Common Charges will be charged to all other Unit Owners as a Common Expense. The term "institutional mortgage" herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company, pension fund, trust company or

other institutional lender or a mortgage granted by the Declarant to a purchaser of a Unit or in which the Declarant participates with one of the above.

**Section 3. Purpose of Common Charges.** The Common Charges shall be used to pay for the Common Expenses of the Condominium including but not limited to repair and maintenance of the General Common Elements, including all sewer and drainage pipes for the Building; insurance; common utilities; labor; common water and sewer charges; legal and accounting; services and supplies; management fees; contingencies; reserve fund and any other expenses that are Common Expenses of the Condominium.

**Section 4. Foreclosures of Liens for Unpaid Common Charges.** The Board shall have the power to purchase any Unit at a foreclosure sale resulting from any action brought by the Board to foreclose a lien on the Unit because of unpaid Common Charges. In the event of such purchase, the Board shall have the power to hold, lease, mortgage, vote, sell or otherwise deal with the Unit. A suit to recover a money judgment for unpaid Common Charges shall also be obtainable separately without waiving the lien on the Unit. In either event the Unit Owner shall be liable for all costs of suit, including reasonable attorneys' fees.

**Section 5. Statement of Common Charges.** Upon the written request of any Unit Owner or their mortgagee, the Board shall promptly furnish such Unit Owner or their mortgagee with a written statement of the unpaid Common Charges due from such Unit Owner.

**Section 6. Liability for Utilities.** Any utility, including gas and electricity, consumed and individually metered in a Unit shall be an expense of each individual Unit Owner.

**Section 7. Operating Account.** There shall be established and maintained a cash deposit account to be known as the "Operating Account," into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all Units. Disbursements from said account shall be for the general need of the operation including, but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the Common Elements and for the purchase, lease, sale or other expenses resulting from the purchase or lease of Units.

**Section 8. Other Accounts.** The Board shall maintain any other accounts it shall deem necessary to carry out its purpose.

**Section 9. Determination of Common Expenses and Fixing of Common Charges.** The Board of Managers shall from time to time, and at least annually, prepare a budget for the operation of the General Common Elements and Common Expenses of the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses of the General Common Elements and other expenses for, and allocate and assess such Common Charges and Common Expenses

among all the Unit Owners in proportion to their respective Common Interests in the Condominium as reflected in Schedule A of the Declaration of Condominium.

The Common Expenses of the Condominium shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of Article VIII and the fees and disbursements of the Insurance Trustee. The Common Expenses may also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the General Common Elements including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale.

The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges and Expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such Common Charges and expenses are based, to all Unit Owners pursuant to the provisions of Article III, Section 10 of these By-Laws.

The Sponsor or its designee shall be responsible for the Common Charges assessed against each Unit owned by it until such Unit it sold to a bona fide purchaser.

## ARTICLE VII. INSURANCE AND INSURANCE TRUSTEE

**Section 1. Insurance**. The Board of Managers shall be required to obtain and maintain, to the extent obtainable from generally acceptable insurance carriers, the following insurance: blanket property insurance, liability insurance as provided below, flood insurance (if applicable), fidelity bond coverage and worker's compensation, insuring all of the Common Elements, Limited Common Elements and the Units in the Building in the Condominium (except land, foundations, excavation and other items normally excluded from coverage) including fixtures, to the extent they are part of the Common Elements of the Condominium, building service equipment and supplies, and other common personal property belonging to the Condominium. In addition, any fixtures, equipment or other property within the Units which are to be financed by a mortgage (regardless of whether or not such property is part of the Common Elements, but not including wall, ceiling or floor decoration, furniture, furnishings or other personal property supplied or installed by the Unit Owners), contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building, exclusive of land, foundation, excavation and other items normally excluded from coverage. Each of such policies shall be in favor of the Condominium, and shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of

Managers and the Insurance Trustee as defined below, hereinafter set forth; and such other insurance as the Board of Managers may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Managers with the approval of the Insurance Trustee as defined below, and that the net proceeds thereof, if $40,000 or less, shall be payable to the Board of Managers, and if more than $40,000 shall be payable to the Insurance Trustee. Each Unit Owner and each Unit Owner's mortgagee, if any, shall be beneficiaries of the policy in the percentage of common ownership applicable to said Unit.

The fire insurance will commence with the Closing of Title to the first Unit in an amount as required by the mortgagee of such Unit and such amount will be increased upon the Closing of Title to all Units. Until the first meeting of the Board of Managers following the first Unit Owners meeting, such amount shall be at least in the sum as provided for in the estimated first year budget contained in the Offering Plan upon completion of the Building.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of a Unit. 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 a Unit at least ten (10) days prior to expiration of then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, including all of the Common Elements appurtenant thereto for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

All policies must also provide for the following: recognition of any, Insurance Trust Agreement; a waiver of the right of subrogation against Unit Owners individually; that the insurance is not prejudiced by any act or neglect of individual Unit Owners which is not in the control of such Unit Owners collectively; and that the policy is primary in the event the Unit Owner has other insurance covering the same loss. All policies shall include the standard form of a "Special Condominium Endorsement" or its equivalent. All policies shall include an "Agreed Amount Endorsement" and, if available, an "Inflation Guard Endorsement".

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 the Common Elements, each Member and Officer of the Board of Managers, the managing agent and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers following the first annual Unit Owners meeting, such public liability insurance shall be a minimum of $1,000,000 covering all claims for bodily injury, deaths and property damage arising out of one occurrence in connection with the operation, maintenance or use of the Common Elements, and legal liability

arising out of lawsuits related to employment contracts of the Condominium. Such policies must provide that they may not be cancelled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Condominium and to each holder of a first mortgage on any Unit in the Condominium which in listed as a scheduled holder of a first mortgage in the insurance policy. Such coverage may also include protection against such other risks as are customarily covered with respect to condominiums similar in construction, location and use, including, but not limited to, host liquor liability, employers liability insurance, contractual and all-written contract insurance, and comprehensive automobile liability insurance. Such public liability insurance shall commence on the closing of title to the first Unit.

In addition to the above, blanket fidelity bonds shall be required to be maintained by the Condominium for all officers, directors and employees of the Condominium and all other persons handling or responsible for, funds of or administered by the Condominium. In the event a management agent has the responsibility for handling or administering funds of the Condominium, the management agent shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of the Condominium. Such fidelity bonds shall name the Condominium as an obligee and shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Condominium or the management agent, as the case may be, at any given time during the term of each bond. In no event may the aggregate amount of such bonds be less than a sum equal to three (3) months aggregate assessments on all units plus reserve funds. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", or similar terms or expressions. The premiums on all bonds required herein, except those maintained by the management agent, shall be paid by the Condominium as a Common Expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days' prior written notice to the Condominium or Insurance Trustee. Such bonds shall also provide that, if applicable, the Federal National Mortgage Association ("FNMA") and servicers on behalf of FNMA, shall also receive such notice of cancellation or modification.

The Condominium Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit or any liability with respect to occurrences within or about a Unit or the Common Elements, if any, exclusive and/or appurtenant thereto. Consequently, all Unit Owners are required to obtain and maintain comprehensive general public liability insurance against claims for personal injury, death or property damage occurring in, on or about such Unit Owner's Unit or the Common Elements, if any, exclusive to his or her Unit, affording protection of at least $1,000,000 per occurrence plus at least $1,000,000 umbrella liability coverage which shall be issued by an insurance company qualified to do business in the State of New York and approved by the Condominium Board, acting reasonably; and the Condominium Board, the Managing Agent and Sponsor shall be named as additional insureds on such insurance policies. Subject to the requirements herein, Unit Owners shall not be prohibited from carrying other insurance for their own benefit, at their own expense and the Condominium

Board shall not be prohibited from carrying additional insurance; provided, however, all policies of insurance obtained by any Unit Owner with respect to occurrences within or about a Unit or the Common Elements appurtenant thereto shall contain a waiver of the insurer's rights of subrogation against the Condominium Board. The liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. To the extent any party is insured, or required to be insured for loss or damage to property hereunder, each party will look to its own insurance policies for recovery.

All policies obtained by any Unit Owner shall be primary with respect to the risks insured thereunder and shall contain waivers of subrogation, if available, and shall further provide that the liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of any additional insurance carried by any other Unit Owner and shall, to the extent obtainable, contain a waiver of the insurer's right of subrogation against the Condominium Board. On or prior to the date upon which any given Unit Owner acquires title to its Unit, each such party shall deliver to the Condominium Board certificates evidencing the insurance required to be maintained by such Unit Owner hereunder. Evidence of each renewal or replacement of a policy shall be delivered by Unit Owner to the Condominium Board at least ten (10) days prior to the expiration of such policy.

**Section 2. The Insurance Trustee**. The Board of Managers on behalf of the Condominium, shall name an authorized representative, including any trustee with whom the Condominium may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee") who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose subject to the adjustment of loss provision contained in the first paragraph of this Section 1 of Article VII. The Insurance Trustee shall be a bank or trust company located in the State of New York, designated by the Board of Managers and costs associated with the Insurance Trustee shall constitute a Common Expense of the Condominium. In the event the Insurance Trustee resigns or fails to qualify, the Board of Managers shall designate a new Insurance Trustee which shall be a bank or trust company located in the State of New York. The Insurance Trustee shall have a capital, surplus and undivided profits of $50,000 or more.

**Section 3. Restoration or Reconstruction After Fire or Other Casualty**. In the event of damage to or destruction of the Building as a result of fire or other casualty (unless seventy-five (75%) percent or more of the Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Buildings (including any damaged Units, and any kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance but not including any wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance

policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net proceed of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

## ARTICLE VIII. HOUSE RULES

**Section 1. General.** In addition to the other provisions of these By-Laws, the following house rules and regulations together with such additional rules and regulations as may hereafter be adopted by the Board of Managers shall govern the use of the Units and the conduct of all residents thereof:

(a) All Units shall be used for residential purposes only. All rentals, other than rentals by the Sponsor, must be subject to local zoning ordinances and must comply with the requirements contained in these By-Laws under Article XI, Section 2.

(b) Owners, members of their families, their employees, guests and their pets, if permitted, shall not use or permit the use of the premises in any manner which would be illegal or disturbing or a nuisance to other said Owners, or in such a way as to be injurious to the reputation of the Condominium.

(c) The Common Elements shall not be obstructed, littered, defaced or misused in any manner.

(d) Every Unit Owner must perform promptly all maintenance and repair work to their own Unit and any Limited Common Element for the Unit Owner's exclusive use which, if omitted, would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the Building of which the Unit forms apart, the Unit Owner being expressly responsible for the damages and liabilities that the failure to do so may engender.

(e) All Unit Owners, other than the Sponsor, must provide the Board of Managers (or the Managing Agent) with the contact information of their current first mortgage lender, including, but not limited to, the address where such lender will receive notices pertaining to the mortgage loan. Unit Owners are obligated to keep this information up to date and failure to do so will be deemed a violation of these By-Laws.

(f) Unit Owners are not permitted to make any alterations to any part of the General Common Elements nor may any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Unit, or any Limited Common Element for its exclusive use, without the prior written approval of the Board of Managers. In addition, no alteration or removal of an interior wall of a Unit may be made without the prior written approval of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Board of Managers of the proposed structural addition, alteration or improvement. No Unit Owner shall make any structural addition, alteration or improvement in or to any Unit or any Limited Common Element without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work and (4) obtaining all approvals, as necessary, from the City of New York or any other governmental agency. In the event the Board of Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the Unit Owner shall pay the charges of such architect or engineer. The Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Unit or Limited Common Element for its exclusive use shall be completed by the Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part

of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

These provisions shall not apply to Units owned by the Sponsor or its designee until such Units shall have been initially conveyed by the Sponsor or such designee.

(g) No resident of the Condominium shall post any signs, advertisement, or posters of any kind in or on the Common Elements (General or Limited) or their Units including "For Sale" and "For Rent" signs except as authorized and approved by the Board of Managers.

(h) No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out of a Unit or on any balcony or exposed on any part of the Common Elements. The General Common Elements and Limited Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials. No rugs or mops shall be shaken or hung from or on any of the doors, windows, or balconies, nor shall a Unit Owner sweep or throw or permit to be swept or thrown therefrom any dirt or other substance.

(i) No Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Unit.

(j) No television or radio antenna or any other type of receiving or transmitting antenna or structure shall be erected on the exterior of the Building without the prior written consent of the Board of Managers.

(k) Each Unit Owner shall keep their Unit and its appurtenant Limited Common Element in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(l) No animals shall be kept or harbored in the Condominium or any Unit except that each Unit Owner may keep up to two (2) domestic dogs (under 60lbs) or household cats; two (2) domestic birds and domestic fish. Fish tanks and/or aquariums shall not exceed one-hundred (100) gallons. No exceptions will be permitted unless the same in each instance be expressly permitted in writing by the Board of Managers of the Condominium. The Board of Managers may require the permanent removal of any animal kept in a Unit that is not in compliance with the above as well as any animal causing or creating a nuisance or unreasonable disturbance or noise upon three (3) days written notice from the Board of Managers. In no event shall any pet be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash. All Unit Owners shall be responsible for picking up and disposing of their pets' waste and responsible

and liable for any damage caused by their pets to any Common Elements of the Condominium and shall comply with the local and municipal rules and regulations regarding pets.

(m) No television or radio antenna or any other type of receiving or transmitting antenna or structure shall be erected on the exterior Unit without the prior written consent of the Board of Managers. The Board of Managers may adopt such rules and regulations pertaining to antenna so as to comply with the Federal Communications Commission rules adopted on October 14, 1996.

(n) Any Unit Owner who sells their Unit shall notify the Board of Managers, providing the name and address of the new Unit Owner, within thirty (30) days of the execution of the Purchase Agreement of the sale of the Unit for the new Purchaser.

(o) All Unit Owners who mortgage or refinance their Unit shall be required to provide the Board of Managers with the name and address of the mortgagee within thirty (30) days of the issuance of the mortgage.

(p) The Board of Managers shall, at the request of the mortgagee of the Unit, report any delinquent assessments due from the Owner of such Unit.

(q) Every Unit Owner shall be liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner, the Unit Owner's permitted lessees and occupants of Units, their respective family members and guests and such other person for whose conduct the Unit Owner is legally responsible.

(r) No Unit Owner shall make or permit any disturbing noises in any Unit or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners.

(s) No Unit Owner nor any of the Unit Owner's agents, servants, employees, licensees, or visitors shall at any time bring into or keep in their Unit or any storage area any flammable, combustible or explosive fluid, material, chemical or substance, except for normal household use.

(t) The agents of the Board of Managers or the managing agent, if any, and any contractor or workman authorized by the Board of Mangers or the managing agent, may enter any Unit 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, insect or other pest, provided that such right will be exercised in such a manner as will not unreasonably interfere with the residential use of the Units.

(u) If any key or keys are entrusted by a Unit Owner or occupant or by the Unit Owner's agent, servant, employees, licensee or visitor to any employee of the Board of Managers, whether for any Unit or an automobile or other type 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.

(v) The Board of Mangers or the managing agent may retain a pass-key to each Unit. The Unit Owner shall not alter any lock on any door leading to their Unit without the written consent of the Board of Managers or the managing agent. If such consent is given, the Board of Managers or the managing agent shall be provided with a key.

(w) No Unit Owner shall install or permit to be installed any window mounted air conditioning unit in their Unit.

(x) Any and all curtains, blinds or shades hung on an exterior window must have a white colored backing facing such window.

(y) Planting of fruits or vegetables is absolutely prohibited in or on any Common Element and/or Limited Common Element.

(z) Unit Owners will faithfully observe the procedures established from time to time by the Board of Managers or the managing agent with respect to services provided and the management of the Building.

(aa) All Unit Owners shall keep their thermostats at a minimum of sixty (60º) degrees Fahrenheit to prevent freezing of pipes. Any Unit Owner failing to adhere to this requirement shall be responsible for any damage done to the Common Elements of the Condominium and/or any other Unit.

(bb) The entrances, passages, public halls, elevators (if applicable), vestibules, corridors and stairways of the Condominium may not be obstructed or used for any other purpose other than ingress to and egress from the Units.

(cc) No article (including, but not limited to, bicycles, garbage cans, bottles or mats) may be placed in any of the passages, elevators (if applicable), public halls, vestibules, corridors or stairways of the Condominium, nor may any fire exit be obstructed in any manner.

(dd) Neither occupants nor their guests are permitted to play in, exercise or use for any unintended purposes, the entrances, passages, public halls, elevators (if applicable), vestibules, corridors and stairways of the Condominium.

(ee) No public hall or public elevator or vestibule, if applicable, of the Condominium is permitted to be decorated or furnished by any Unit Owner in any manner.

(ff) No window guards or window decorations (other than curtains and window treatments which conform to the By-Laws) are permitted to be used in or about any Unit, unless otherwise required by law, except such as will have been approved in writing by the Board of Managers.

(gg) No construction or repair work or other installation involving noise is permitted to be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or unless such work is performed by the Sponsor.

(hh) Water closets and other water apparatus and utility closets are not permitted to be used for any purpose other than those for which they were designed, nor are any sweepings, rubbish, rags or any other article permitted to be thrown into the same. Any damage resulting from misuse of any water closets or other apparatus in a Unit will be repaired and paid for by the Unit Owner of such Unit.

(ii) No Unit Owner is permitted to send any employee of the Condominium or of the managing agent thereof out of the Building on any private business.

(jj) Corridor doors are required to be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

(kk) Except as permitted under the Declaration and By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees are not permitted at any time or for any reason whatsoever to enter upon or attempt to enter upon the roofs of the Building.

(ll) Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees will not cause or permit any unusual or objectionable odors to be produced upon or to emanate from their Units or any public portions of the Building.

(mm) Nothing may be done or kept in any Unit or in the General or Limited Common Elements, which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Board of Managers. No Unit Owner will permit anything to be done or kept in such Unit Owner's Unit or in the General or Limited Common Elements which may result in the cancellation of insurance on the Building or which would be in violation of any law. No waste will be permitted in the General or Limited Common Elements.

(nn) No group tour or exhibition of any Unit or its contents will be conducted, nor will any auction sale or other sale of contents be permitted to be held in any Unit, without the prior consent of the Board or the managing agent.

(oo) In the event that any Unit is used for home occupation purposes, which may be permitted by Law and the By-Laws, in no event will any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

(pp) There will be no barbecuing permitted in the Units, in or on their Limited Common Elements, or the General Common Elements.

(qq) The roof terrace may be used by Unit Owners and their guests according to the rules and regulations set forth by the Board of Managers, which is subject to change from time to time. No Unit Owner will be permitted to access any other areas of the exterior roof for any purpose whatsoever.

(rr) All Unit Owners will be required to register each of their automobiles with the Board of Mangers.

**Section 2. Violations of Rules and Regulations.**

(a) Upon receipt, by the President of the Board of Managers or by the managing agent, of a signed written complaint alleging violation of any of the House Rules or other provisions of the By-Laws as herein established or hereafter established or adopted by the Board of Managers, the President of the Board, or in the President's absence, the Vice President together with a minimum of two (2) other Members of the Board, without a formal meeting of the Board, shall make a determination as to the validity of the complaint. Any Unit Owner accused of a violation of the House Rules or other provisions of the By-Laws shall be entitled to receive written notice by registered mail of such accusation. The written notice shall contain the following statements:

i) A copy of the rule or regulation the Unit Owner has violated and a description of the manner in which the Unit Owner violated the rule or regulation.

ii) A time and place at which the Unit Owner shall be given the opportunity to present a defense before final action is taken.

(b) If, after said notice and hearing it is determined that the complaint is valid and justified the managing agent shall be directed to send written notice to the violator. If the violation is not corrected or eliminated within a period of three (3) days from the date of receipt of such notice, another notice will be sent levying a fine of up to five hundred ($500) dollars upon the violator; such fine is to be considered as an additional Common Charge to the account of the violator and shall be treated as such regarding late penalties

and a lien upon the property as elsewhere provided for in the Declaration of Condominium or By-Laws. If after imposition of a fine the violation is not corrected or eliminated, the Board of Managers may assess additional fines of up to five hundred ($500) dollars each after serving written notice upon the violator as provided for above. If the violation results in loss of or damage to property classified as a Common Element, the Board of Managers shall itself or direct the managing agent, if employed, to have said loss or damage repaired or replaced and the actual cost of said repair or replacement shall be assessed to the violator as an additional Common Charge.

**Section 3. Costs.** Any costs incurred by the Board of Managers to remedy or cure any violation of these By-Laws, the Rules and Regulations as herein or hereafter established, shall be an additional Common Charge charged to the violator in addition to the five hundred ($500) dollar fine(s) levied upon the violator. Fines may be levied against a Unit Owner's tenant, and the Unit Owner shall be jointly and severally liable with his tenant for the payment of same.

In the event the Condominium institutes legal action for the collection of any fines or the enforcement of any of the provisions of the Declaration, By-Laws and/or Rules and Regulations of the Condominium, then the Defendant shall be responsible for payment of reasonable attorney's fees of the Condominium, plus interest and costs of suit.

**Section 4. Board of Managers Right to Change Rules and Regulations.** The Board of Managers reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Condominium when, in the reasonable judgment of the Board of Managers, the Board of Managers deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or for the operation or maintenance of the Condominium or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant will operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

**Section 5. Sponsor.** The above provisions shall not apply to the Sponsor unless required: (a) to comply with applicable laws or regulations, or (b) to remedy any notice of violation.

**Section 6. Smoking Policy.** In compliance with Local Law 147 and pursuant to Article 17 of the New York City Administrative Code, the following smoking policy has adopted for the Building (the "Smoking Policy"):

Smoking is PROHIBITED (i) in all commons areas of the Building, including, but not limited to, the lobby, entryways, vestibules, ante rooms, mail rooms, storage rooms, bike rooms, common rooms, amenity rooms, gym, roof decks, garbage chute rooms, compactor rooms, basement, corridors, hallways, stairwells, elevators, playroom,

garage, garage ramp, walkways, and (ii) within twenty-ten (25) feet of any outside entrance to the Building or within twenty-five (25) feet of any outdoor air intake or operable window opening onto Common Elements or Units.

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

Smoking is PROHIBITED within individual Units and on the terraces, balconies, patios and yards attached to individual Units.

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

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

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

**ARTICLE IX. DEFAULT**

In the event a Unit Owner does not pay any sums, charges or assessments required to be paid when due, as determined by the Board of Managers, the Board of Managers, acting in behalf of the Board shall notify the Unit Owner and the mortgagee, if any, of such Unit. If such sum, charge or assessment shall remain unpaid for ninety (90) days after the giving of such notice, the Board may foreclose the lien encumbering the Unit as a result of the non-payment of the required monies as set forth in the Declaration (subject to the lien of any first mortgage), in the same manner as the foreclosure of a mortgage. In the event the owner of a Unit does not pay the Common Charge assessment required to be paid by him on its due date, the Board of Managers may collect said fees and take such action as is provided in Article VI, Section 2 of these By-Laws and said Unit Owner shall be liable for the Condominium’s reasonable costs and a reasonable attorney’s fee incurred by it incident to the collection or enforcement of such lien.

In addition to the Board's right to bring an action to foreclose a lien on a Unit Owner's Unit, the Board (on behalf of the Unit Owners) shall have the right to bring suit to recover a money judgment for unpaid Common Charges at the option of the Board, without foreclosing or waiving the lien securing such charges. In such an event the Unit Owner shall be liable for the reasonable costs and reasonable attorney's fee incurred by it incident to the collection of the delinquent Common Charges

## ARTICLE X. AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called Unit Owners meeting; provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number and Common Interest and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment will affect or impair the validity or priority of the Unit Owners' interest and/or the validity, interest, rights and priorities of holders of a mortgage encumbering a Unit or Units.

Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of, to or from the By-Laws or any rules and regulations shall be effective in any way against Sponsor or its designee or any Unsold Unit, as long as the Sponsor owns an Unsold Unit in the Condominium unless Sponsor has given its prior written consent thereto. This provision is not subject to amendment.

## ARTICLE XI. SELLING, MORTGAGING AND LEASING UNITS

**Section 1. Selling and Leasing Units.** Any Unit may be conveyed or leased, subject to the leasing requirements contained in Section 2, subject to local zoning ordinances, by its Unit Owner free of any restrictions except that no Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease their Unit unless and until all unpaid Common Charges assessed against the Unit Owner's Unit shall have been paid to the Board of Managers of the Condominium. However, such unpaid Common Charges can be paid out of the proceeds of the sale of a Unit, or by the Grantee. Notwithstanding the above any Unit Owner who wishes to enter into a lease for the Unit Owner's Unit shall be required to provide the Board of Managers of the Condominium with a copy of the lease prior to its execution. All leases must comply with all the requirements contained in Section 2 below. Failure to comply will be deemed an automatic violation of the By-Laws of the Condominium. Further, a Unit Owner may convey the Unit Owner's Unit and Common Interest appurtenant thereto, to the Board of Managers on behalf of all Unit Owners free of any cost to the Board or the Unit Owners and upon such conveyance such Unit Owner shall not be liable for any Common Charges thereafter accruing against such Unit. Any sale or lease of any Unit in violation of this section shall be voidable at the election of the Board of Managers.

The provisions of this section shall not apply to the acquisition or sale of a Unit by a first mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. Such provisions shall, however, apply to any purchaser from such mortgagees.

Whenever the term "Unit" is referred to in this section, it shall include the Unit, the Unit Owners undivided interest in the Common Elements and the Unit Owners interest in any Units acquired by the Board of Managers.

**Section 2. Leasing Requirements.** Except as noted in Sections 4, 5 and 6 every lease on every Unit in the Condominium is subject to the following rules and regulations, regardless of whether stated in the lease:

(a) the lease must be in writing;
(b) the lease must be for the entire Unit;
(c) the lease must be for a minimum and maximum of twelve (12) months. Renewals shall be for a one (1) year term and are subject to review by the Board of Managers of the Condominium;
(d) the Unit must be covered by adequate renters insurance for the duration of the lease and any subsequent extensions. A copy of such policy shall be forwarded to the Board of Managers prior to a tenant taking occupancy of a Unit.
(e) the use of the premises is subject to the Declaration and the By-Laws of the Condominium and the rules and regulations of the entire Condominium;
(f) within thirty (30) days of occupancy by the tenant, the name and telephone number of the tenant, together with a clear and complete copy of the lease, must be furnished to the managing agent or if no managing agent to a Member of the Board of Managers of the Condominium;
(g) within forty-five (45) days of any renewal of a lease of a tenant, the name and telephone number of the tenant, together with a clear and complete copy of the renewal lease, must be furnished to the managing agent or if no managing agent to the Board of Managers of the Condominium for review;
(h) the Unit cannot be used as a motel or hotel or otherwise for transient tenants or occupants;
(i) it is expressly prohibited to use the Unit in connection with any reservation service for temporary and/or short-term occupancy, including Airbnb or similar services.
(j) if any Unit Owner (landlord) or tenant is in violation of any of the provisions of the Declaration or By-Laws, or both, including any rules and regulations, the Board of Managers of the Condominium may bring an action in its own name or in the name of the Unit Owner, or both, to have the tenant evicted or to recover damages, or both.

In order to carry out the provisions of this Article XI and pursuant to the provisions of Article Fourteenth of the Declaration of Condominium each Unit Owner shall upon becoming a Unit Owner grant or be deemed to have granted an irrevocable power of attorney, to nominate, designate, constitute and appoint the Members of the Board of

Managers of the Condominium and their successors, jointly, their true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in their name and on their behalf, the right to act in their behalf to take any and all action necessary against any tenant(s) that may be residing in a Unit Owner's Condominium Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and/or Rules and Regulations of the Condominium. The remedy provided by this subsection is not exclusive and is in addition to any other remedy or remedies available to the Board of Managers of the Condominium. If permitted by present or future law, the Condominium may recover all of its costs, including court costs and reasonable attorney's fees, and these costs shall be a continuing lien on the Unit that shall bind the Unit in the hands of the then Unit Owner and the Unit Owner's successors and assigns. The Board of Managers of the Condominium shall give the tenant and the Unit Owner written notice of the nature of the violation of the rules, and thirty (30) days from the mailing of the notice in which to cure the violation before the Board of Managers of the Condominium may file for eviction.

**Section 3. Tenant Bound by Declaration.** By becoming a tenant, each tenant agrees to be bound by the Declaration, By-Laws and the other rules and regulations of the Condominium and recognizes and accepts the right and the power of the Board of Managers of the Condominium to evict the tenant for any violation by the tenant of the above, and the other rules and regulations of the Condominium.

**Section 4. Lenders.** To protect first mortgage lenders and to encourage first mortgage lenders to make loans on Units in the Condominium, only subsections (b), (d), (e), (f), (g) and (h) of Section 2 of this Article XI shall apply to a first mortgage lender who has title to the Unit through (a) foreclosure of its first mortgage on the Unit; or (b) a deed in lieu of foreclosure of its first mortgage on the Unit. Any subsequent purchaser from the first mortgage lender is subject to all the terms of Article XI.

**Section 5. Sponsor.** The terms of Sections 2, 3 and 4 of this Article XI shall not be applicable to the Sponsor, its successors or assigns.

**Section 6. Waiver of Partition Rights.** The Unit Owners waive all of their voting rights concerning partition respecting any Unit acquired by the Board of Managers in accordance with this Article.

**Section 7. Real Property Law Section 339-kk.** Pursuant to the provisions of Section 339-kk of the Real Property Law of the State of New York, any non-occupying Unit Owner who rents any Unit in the Condominium to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Unit within sixty (60) days of the expiration of any grace period after they are due is subject to the following: Upon notice in accordance with the statute, all rental payments from the tenants shall thereafter be directly payable to the condominium association. The provisions of Section 339-kk of the Real Property Law shall control any dispute pursuant to this provision of the By-Laws.

**Section 8. Gifts, etc.** Any Unit Owner may convey or transfer their Unit by gift during their lifetime or devise their Unit by will or pass the same by intestacy, without restriction.

## ARTICLE XII. CONDEMNATION

In the event all or part of the Common Elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee if the award is more than $40,000 and to the Board of Managers if the award is $40,000 or less, to be distributed in accordance with Section 3 of Article VII but in the following amounts:

(a) so much of the award as is applicable to unrestricted Common Elements, to the Unit Owners pro rata according to the respective Common Interest appurtenant to the Units owned by such Unit Owners.

(b) so much of the award as is applicable to Irrevocably Restricted Common Elements to the Unit Owner having general use of such Common Element.

In such eminent domain or condemnation proceeding the Board shall request that the award shall set forth the amount allocated to unrestricted Common Elements and to each Irrevocably Restricted Common Element. In the event the award does not set forth such allocation then the question of such allocation shall be submitted to the arbitration in accordance with the Arbitration Statutes of the State of New York.

## ARTICLE XIII. SPONSOR RIGHTS

**Section 1. Sales.** The Sponsor, its nominees and agents, shall have the right and privilege to maintain general and local sales offices in and about the Condominium, including any model Units located within the Condominium Buildings or elsewhere throughout the project, and shall have the right and privilege to have their representatives, employees and agents present on the Condominium premises to show the Units to prospective purchasers, to utilize the Common Elements, and without limitation, to do any and all things necessary to incident to the sale of the Units, without charge or contribution other than in the form of Common Charge payments as otherwise provided for herein.

**Section 2. Signs.** The Sponsor shall have the right to continue to employ signs of its choice upon the Condominium premises in its efforts to construct and sell the Units. Incident to the rights and privileges provided for herein, the officers, employees, agents, contractors, guests and invitees of the Sponsor, its successors and assigns, shall have the right of ingress and egress to and throughout the Common Elements of the Condominium. This Article XIII may not be modified or amended without the written consent of the Sponsor so long as the Sponsor continues to own one (1) or more unsold Units.

**Section 3. Handicap Parking Spaces.** The accessible Parking Space Units will be the last Parking Space Units sold if they have not previously been sold to a

Purchaser(s) who themselves or a member of their family has a vehicle with handicapped plates. The purchase of accessible Parking Space Units and any subsequent sale or transfer is subject to the following covenants and restrictions in the deed:

In the event the present or future owner of a Unit in the condominium, or a member of his or her family residing in the Unit, becomes handicapped and acquires handicapped plates for his or her vehicle, and said Unit Owner is not the owner of an accessible Parking Space Unit, said Unit Owner has the right to demand that the owner of an accessible Parking Space Unit trade the accessible Parking Space Unit he/she owns with said handicapped Unit Owner.

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

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

If the parties cannot agree on the fair market value of an accessible Parking Space Unit then the parties agree to submit the matter to binding arbitration. The arbitrator must be an independent 3rd party unrelated to any party in the dispute.

## ARTICLE XIV. MISCELLANEOUS

**Section 1. Insurance.** Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in their Unit which will increase the insurance rates on their Unit or any other Unit or on the Common Elements.

**Section 2. Severability**. Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

**Section 3. Notice to Condominium.** A Unit Owner who mortgages a Unit, shall notify the Condominium through the management agent, if any, or the President of the Board of Managers of the Condominium and the President of the Board of Directors of the Unit Owners Association in the event there is no management agent, of the name and address of his mortgagee; and the Board of Managers shall maintain such information in a book entitled “Mortgagees of Units”.

**Section 4. Notice of Unpaid Assessments**. The Board of Managers shall at the request of a mortgagee of a Unit, report any unpaid assessments due from the Unit Owners of such Unit.

**Section 5. Examination of Books and Records.** Every Unit Owner or his representative and mortgagee shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board but not more often than once a month.

**Section 6. Construction.** Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter; singular or plural; wherever the context so requires.

**Section 7. Compliance with Article 9-B.** These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-Laws conflict with the provisions of said Statute or of the Declaration, the provisions of the Statute or of the Declaration, whichever the case may be, shall control.

# ESCROW AGREEMENT

**AGREEMENT** made this ___ day of _____, 20__, between 259 22nd Street LLC, with an address at 100 Quadrangle, Ste. 220, Jericho, New York 11753 ("SPONSOR") as Sponsor of the offering plan for Bellrose Condominium and Moritt Hock & Hamroff LLP with an address 1407 Broadway, Suite 39, New York, New York 10018 ("ESCROW AGENT") as ESCROW AGENT.

**WHEREAS**, 259 22nd Street LLC is the SPONSOR of an offering plan to develop a condominium for the premises located at 259 22nd Street, Brooklyn, Kings County, New York 11215, which premises are known as Bellrose Condominium; and

**WHEREAS**, Moritt Hock & Hamroff LLP, is authorized to act as an ESCROW AGENT hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the New York State Attorney General's ("Attorney General") regulations promulgated thereunder; and

**WHEREAS**, SPONSOR desires that ESCROW AGENT act as ESCROW AGENT for deposits and payments by purchasers and subscribers, pursuant to the terms of this agreement.

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

## 1. ESTABLISHMENT OF THE ESCROW ACCOUNT

1.1 ESCROW AGENT shall establish an escrow account for the purpose of holding the Deposit made by purchasers or subscribers. The escrow account has been opened with _____ located at, at their branch at _____in the State of New York ("Bank"), a bank authorized to do business in the State of New York. The escrow account is entitled "Moritt Hock & Hamroff LLP, Attorney Escrow Account IOLA, Condominium Escrow Account" ("Escrow Account"). The account number is TBD.

1.2 ESCROW AGENT has designated the following attorneys to serve as signatories are the following partners at MHH: Anthony J. Ficara, Ted A. Berkowitz, Michael Cardello III, and Gary C. Hisiger. All designated signatories are admitted to practice law in the State of New York.

All of the signatories on the Escrow Account have an address of address 1407 Broadway 39th Floor, New York, New York 10018, and a telephone number of (212) 249-2000

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

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

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

## 2. DEPOSITS INTO THE ESCROW ACCOUNT

2.1 All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be placed into the Escrow Account. All instruments to be placed into the Escrow Account shall be made payable directly to the order of Moritt hock & Hamroff LLP, as ESCROW AGENT, pursuant to the terms set forth in the Plan. Any instrument payable to, or endorsed other than as required hereby, and which cannot be deposited into such Escrow Account, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of the Deposit, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

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

## 3. RELEASE OF FUNDS

3.1 Under no circumstances shall SPONSOR seek or accept release of the Deposit of defaulting purchaser to SPONSOR until after consummation of the Plan, as evidenced by the acceptance of an effectiveness amendment by the New York State Department of Law. Consummation of the Plan shall not relieve SPONSOR or ESCROW AGENT of any obligation to a purchaser as set forth in GBL §§ 352-3(2-b) and 352-h.

3.2 ESCROW AGENT shall continue to hold the funds in escrow until otherwise directed in (a) pursuant to terms and conditions set forth in the purchase agreement and this Agreement, upon closing of title to the [shares/unit/membership interest/fractional interest]; or (b) in a subsequent writing signed by both SPONSOR and

purchaser; or (c) by a final, non-appealable order or judgment of a court of competent jurisdiction; or (d) the ESCROW AGENT is changed pursuant to the terms of the Escrow Agreement in connection with the transfer of funds to the new escrow agent; or (e) funds which were deposited prior to the acceptance of the contract are returned to the purchaser because of rejection of the contract by the SPONSOR; or (f) any governmental authority imposes a ban on the construction or completion of residential dwellings or imposes restrictions on the manufacture, sale, distribution and/or use of materials from SPONSOR's regular suppliers or from using same in the construction and/or completion of the Home making the construction or completion of the Development unlikely; or (g) SPONSOR is unable to obtain materials from its usual sources due to labor troubles, lockouts, war, military operations and requirements, civil unrest, acts of God or national emergencies making the construction or completion of the Development unlikely; or (h) the installation of public utilities is restricted or curtailed making the construction or completion of the Development unlikely; or (j) until released in accordance with paragraphs 3.3 and 3.4. Funds deposited in escrow for upgrades and extras to the Unit may be released from the escrow account without the requirements outlined herein provided SPONSOR uses the funds for such upgrades and extras and notifies the ESCROW AGENT in writing of such fact.

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

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

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

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

## 4. RECORDKEEPING

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

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

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

## 5. GENERAL OBLIGATIONS OF ESCROW AGENT

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

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

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

## 6. RESPONSIBILITIES OF SPONSOR

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver the Deposit received by them prior to closing of the [unit/shares/membership interest/fractional interest] to a designated attorney who is a member of or employed by ESCROW AGENT, within two (2) business days of tender of the Deposit by a purchaser, along with the form of tender of deposit attached hereto as Exhibit “A” to this Escrow Agreement, executed by Sponsor.

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

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

## 7. TERMINATION OF AGREEMENT

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

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

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

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

## 8. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

## 9. GOVERNING LAW

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

## 10. ESCROW AGENT'S COMPENSATION

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

## 11. SEVERABILITY

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

## 12. INDEMNIFICATION

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions

taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of ESCROW AGENT. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

## 13. ENTIRE AGREEMENT

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

## 14. NOTICES

14.1 Any notice required to be given or given hereunder shall be given by depositing such notice in a post-paid wrapper, in an official depository under the exclusive care and custody of the United States Postal Service within New York State, or by Express Mail, Federal Express or similar overnight courier, facsimile transmission, messenger service (with proper receipt therefor), addressed to the party at the address herein above set forth with a copy of any such notice by regular mail to the attorney for such party as follows:

IF TO ESCROW AGENT:

Moritt Hock & Hamroff LLP
1407 Broadway, 39th Floor
New York, New York 10018
Anthony J. Ficara Esq

IF TO SPONSOR:

259 22ND STREET LLC
100 Quadrangle, Ste. 220
Jericho, New York 11753
Attn: Daniel Kaykov, Member

Any notice may be given by the attorney for a party and shall have the same force as if given by the party. Either party may, by notice, change the address at which notices are to be given hereunder.

## 15. CAPTIONS AND HEADINGS

15.1 The captions and headings used in this Agreement are intended for convenience and reference only and shall not imply or convey any additional meanings to the contents of the respective provisions.

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

**ESCROW AGENT:**

MORITT HOCK & HAMROFF LLP

By: _____
Anthony J. Ficara, Esq

**SPONSOR:**

**259 22ND STREET LLC**

By: _____
, Member

**PURCHASER:**

By: _____
,

# TENDER OF ESCROW DEPOSIT

Date: _____

Tender of Deposit of $_____, for Unit _____at Bellrose Condominium

located at 259 22nd Street, Brooklyn, New York 11222.

Purchaser(s) named below has/have tendered on _____, 20__, the above escrow deposit to Sponsor/Selling Agent as a deposit for the above Unit.

Purchaser(s)

_____

Address of Purchaser(s)

_____

_____

Phone number of Purchaser(s):

Home: _____

Business: _____

Social Security Number(s) or
Tax Identification Number(s)
of Purchaser(s) _____

_____

---

## RECEIPT

The SPONSOR/SELLING AGENT of the above-named property hereby acknowledges receipt of the above escrow deposit.

By: _____

_____

Title of Position

Date of Receipt: _____

EXHIBIT "A"

**CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO 13 NYCRR 20.4 (b)**

Date: November 6, 2025

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

RE: **Bellrose Condominium**
259 22nd Street
Brooklyn, New York 11215

Gentlepeople:

We are the Sponsor and the principals of Sponsor of the Condominium Offering Plan for the above-captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as they may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan, does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

**SPONSOR**
**259 22nd STREET LLC**

**By: DSKAY REALTY HOLDING LLC**

By: _____
Daniel Kaykov, Managing Member

**By: POISE RE DEV HOLDING LLC**

By: _____
Valeriy Katayev, Managing Member

**SPONSOR'S PRINCIPALS:**

**DSKAY REALTY HOLDINGS LLC**

By: _____
Daniel Kaykov, Member

**POISE RE DEV HOLDINGS LLC**

By: _____
Valeriy Katayev, Member

_____
Daniel Kaykov

_____
Valeriy Katayev

Sworn to before me this
day of 6 November, 2025

_____
Notary Public

Gina Kotsar
Notary Public, State of New York
No. 01KO6194349
Qualified in Kings County
Commission expires 09/29/28

## 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

April 28, 2026

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

RE: Bellrose Condominium
259 22nd Street,
Brooklyn, New York 11215

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 January 9, 2025 and April 28th 2025, and prepared the Report dated April 28, 2026, 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 affirm this 28th day of April, 2026, under the penalties of perjury under the laws of New York, which may include a fine or imprisonment, that the foregoing is true, and I understand that this document may be filed in an action or proceeding in a court of law.

Paul Lombardi, R.A.

Executed on April 28, 2026

**CERTIFICATION OF ADEQUACY OF OPERATING BUDGET**
**PURSUANT TO 13 NYCRR 20.4 (d)**

Date: November 12, 2025

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

RE: **Bellrose Condominium**
259 22nd Street
Brooklyn, New York 11215

Gentlepeople:

The Sponsor of the Condominium Offering Plan for the captioned property retained me/our firm to review Schedule B and B-1 containing projections of income and expenses for the first year of condominium operation. My experience in property management includes: *(list **property name**, **address**, **# of Units**, **property type, years managed**)*

601 Baltic Condominium, 601 Baltic St. Brooklyn, NY: Residential 22 Units for 2 years
Stanton on Sixth Condo, 695 6th Avenue, Brooklyn, NY: Residential 33 Units for 6 years
488 Sterling Place Condo, 4988 Sterling Pl., Brooklyn, NY: Residential 26 Units for 3 years

I/we understand that I/we am/are responsible for complying with Article 23-A of the General Business Law and the Regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B and B-1.

I/we have reviewed the Schedule B and B-1 Schedule and investigated the facts set forth in the Schedule and the facts underlying it with due diligence in order to form a basis for this certification. I/We also have relied on my/our experience in managing residential buildings.

I/we certify that the projections in Schedule B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

I/we certify that the Schedule B and B-1:

(i) sets forth in detail the projected income and expenses for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where I/we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

I/we further certify that I am/we are not owned or controlled by the Sponsor. I/we understand that a copy of this Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. I/We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

By: _____

Albert Aranbaev, President
Print Name and Title or Position

First Class Management, Inc.
Print Name of Company

Sworn to before me this
12th day of November, 2025

_____
Notary Public

NEIMA GERAMI
STATE OF NEW YORK
NOTARY PUBLIC
Qualified in Queens County
01GE6412076
MY COMMISSION EXPIRES 12/14/20

[ ]
Affix Notary Stamp Here

The Real Property Law is amended by adding a new Section 339-kk to read as follows:

"§ 339-kk. Rents. (a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent."

This act may be enforced by any party by means of a special proceeding brought pursuant to Article 4 of the Civil Practice Law and Rules.

SCHEDULE M

# HOUSING MERCHANT IMPLIED WARRANTY LAW

## ARTICLE 36-B

## WARRANTIES ON SALE OF NEW HOMES

Section 777. Definitions.
777-a. Housing Merchant Implied Warranty.
777-b. Exclusion or Modification of Warranties.

Section 777. Definitions. As used in this article, the following terms shall have the following meanings:

1. "Builder" means any person, corporation, partnership or other entity contracting with an owner for the construction or sale of a new home.

2. "Building code" means the uniform fire prevention and building code promulgated under section three hundred seventy-seven of the executive law, local building code standards approved by the uniform fire prevention and building code council under section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in titled twenty-seven of the administrative code of the city of New York.

3. "Constructed in a skillful manner" means that workmanship and materials meet or exceed the specific standards of the applicable building code. When the applicable building code does not provide a relevant specific standard, such term means that workmanship and materials meet or exceed the standards of locally accepted building practices.

4. "Material defect" means actual physical damage to the following load-bearing portions of the home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

5. "New home" or "home" means any single family house or for-sale unit in a multi-unit residential structure of five stories or less in which title to the individual units is transferred to owners under a condominium or cooperative regime. Such terms do not include dwellings constructed solely for lease, mobile homes as defined in section seven hundred twenty-one of this chapter, or any house or unit in which the builder has resided in or leased continuously for three years or more following the date of completion of construction, as evidenced by a certificate of occupancy.

6. "Owner" means the first person to whom the home is sold and, during the unexpired portion of the warranty period, each successor in title to the home and any mortgagee in possession. Owner does not include the builder of the home or any firm under common control of the builder.

7. "Plumbing, electrical, heating, cooling and ventilation systems" shall mean:

a. in the case of plumbing systems: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system;

b. in the case of electrical systems: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection; and

c. in the case of heating, cooling and ventilation systems: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

8. "Warranty date" means the date of the passing of title to the first owner for occupancy by such owner or such owner's family as a residence, or the date of first occupancy of the home as a residence, whichever first occurs.

Section 777-a. Housing merchant implied warranty.

1. Notwithstanding the provisions of section two hundred fifty-one of the real property law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:

a. one year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;

b. two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such systems in a skillful manner; and

c. six years from and after the warranty date the home will be free from material defects.

2. Unless the contract or agreement by its terms clearly evidences a different intention of the seller, a housing merchant implied warranty does not extend to:

a. any defect that does not constitute (i) defective workmanship by the builder or by an agent, employee or subcontractor of the builder, (ii) defective materials

supplied by the builder or by an agent, employee or subcontractor of the builder, or (iii) defective design provided by a design professional retained exclusively by the builder; or

b. any patent defect which an examination ought in the circumstances to have revealed, when the buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home.

3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a housing merchant implied warranty shall mean that such goods shall be free from defects due to failure by the builder or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness and all other implied warranties with respect to goods shall be governed by part three of article two of the uniform commercial code and other applicable statutes.

4. a. Written notice of a warranty claim for breach of a housing merchant implied warranty must be received by the builder prior to the commencement of any action under paragraph b of this subdivision and no later than thirty days after the expiration of the applicable warranty period, as described in subdivision one of this section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test and repair the portion of the home to which the warranty claim relates.

b. An action for damages or other relief caused by the breach of a housing merchant implied warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision one of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a more equitable measure of damages.

c. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment in an action for damages under paragraph b of this subdivision.

5. Except as otherwise provided in section seven hundred seventy-seven-b of this article, any provision of a contract or agreement for the sale of a new home which

excludes or modifies a housing merchant implied warranty shall be void as contrary to public policy.

6. Except as otherwise provided in section seven hundred seventy-seven-b of this article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.

777-b. Exclusion or modification of warranties.

1. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify all warranties by any clear and conspicuous terms contained in the written contract or agreement of sale which call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

2. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify warranties with respect to particular defects by any clear and conspicuous terms contained in the written contract or agreement of sale which identify such defects, call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

3. A housing merchant implied warranty may be excluded or modified by the builder or seller of a new home only if the buyer is offered a limited warranty in accordance with the provisions of this subdivision.

a. A copy of the express terms of the limited warranty shall be provided in writing to the buyer for examination prior to the time of the buyer's execution of the contract or agreement to purchase the home.

b. A copy of the express terms of the limited warranty shall be included in, or annexed to and incorporated in, the contract or agreement.

c. The language of the contract or agreement for sale of the home must conspicuously mention the housing merchant implied warranty and provide that the limited warranty excludes or modifies the implied warranty. Language to exclude all implied warranties is sufficient if it states, for example, that "There are no warranties which extend beyond the face hereof."

d. The limited warranty shall meet or exceed the standards provided in subdivisions four and five of this section.

4. A limited warranty sufficient to exclude or modify a housing merchant implied warranty must be written in plain English and must clearly disclose:

a. that the warranty is a limited warranty which limits implied warranties on the sale of the home; the words "limited warranty" must be clearly and conspicuously captioned at the beginning of the warranty document;

b. the identification of the names and addresses of all warrantors;

c. the identification of the party or parties to whom the warranty is extended and whether it is extended to subsequent owners; the limited warranty must be extended to the first owner of the home and survive the passing of title but may exclude any or all subsequent owners;

d. a statement of the products or parts covered by the limited warranty;

e. the clear and conspicuous identification of any parts or portions of the home or premises that are excepted or excluded from warranty coverage, and the standards that will be used to determine whether a defect has occurred; provided, however, that:

i. any exception, exclusion or standard which does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such relevant specific standard a locally accepted building practice, shall be void as contrary to public policy and shall be deemed to establish the applicable building code standard or locally accepted building practice as the warranty standard; and

ii. any exception, exclusion or standard that fails to ensure that the home is habitable, by permitting conditions to exist which render the home unsafe, shall be void as contrary to public policy.

f. what the builder and any other warrantor will do when a defect covered by the warranty does arise, and the time within which the builder and any other warrantor will act;

g. the term of the warranty coverage and when the term begins, provided, however, that such term shall be equal to or exceed the warranty periods of a housing merchant implied warranty, as defined in subdivision one of section seven hundred seventy-seven-a of this article;

h. step-by-step claims procedures required to be undertaken by the owner, if any, including directions for notification of the builder and any other warrantor; an owner shall not be required to submit to binding arbitration or to pay any fee or charge for participation in nonbinding arbitration or any mediation process;

i. any limitations on or exclusions of consequential or incidental damages, and any limitations on the builder's and other warrantor's total liability,

conspicuously expressed on the first page of the warranty. Notwithstanding the foregoing, a limited warranty shall not be construed to permit any limitation on or exclusion of property damage to the home proximately caused by a breach of the limited warranty, where the court finds that such limitation or exclusion would cause the limited warranty to fail of its essential purpose, except that such property damage may be limited by an express limitation on the builder's or other warrantor's total liability in accordance with the provisions of this paragraph.

5. a. This article shall not be construed to authorize or validate any covenant, promise, agreement or understanding which is void and unenforceable under Section 5-322.1 of the general obligations law.

b. This article shall preempt any local law inconsistent with the provisions of this article. This article shall not preempt any builder subject to its provisions from complying with any local law with respect to the regulation of home builders except as expressly provided herein.

c. Nothing in this article shall be construed to repeal, invalidate, supersede or restrict any right, liability or remedy provided by any other statute of the state, except where such construction would, as a matter of law, be unreasonable.