



522-528 LLC

Kathleen H. Burgess
Secretary
New York State Public Service Commission
State of New York
3 Empire State Plaza
Albany, NY12223

Re: Notice of Intent to submeter electricity at a building located at 509 Pacific Street, Brooklyn, NY 11217.

Dear Secretary Burgess,

522-528 LLC, is the owner of the above referenced new condominium building. The owner submits this notice of intent pursuant to 16 NYCRR § 96.2 to provide future sub-metering services for the building mentioned above which is located within the service territory of Consolidated Edison Company, Inc., 509 Pacific Street, Brooklyn, NY 11217.

Construction began in June 2016 and completion is expected for December 2017. The Building consists of 38 Units. All condominium units will be fair market units. Currently none of the units are occupied. Initial occupancy date has not yet been determined.

Heating for the units will be provided via verticle heat pumps. Electrical heating will not be utilized.

The building has installed or will install the following energy efficiency measures: Green Exterior Wall

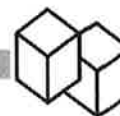
The following energy star rated appliances will be installed: refrigerators, microwaves, speed ovens and ovens.

In addition, the Owner's sub-metering plan satisfies the requirements of 16 NYCRR § 96.2. Accordingly, the Owner respectfully requests the Commission approve this petition to submeter.

Economic advantages of sub-metering over direct utility metering:

The sub-metering system to be installed in the Building will include remote reading capabilities utilizing Power Line Carrier. This communication will allow a more cost-effective sub-metering system due to the elimination of control wiring. Each of the meters will communicate daily over the existing power lines in the Building using a data collection device referred to as a Scan Transponder. The data that is sent will include the hourly usage of electricity for each apartment.

The QuadLogic sub-metering system has an advantage in that; it includes fair energy cost allocation based on actual resident consumption. The QuadLogic system also includes daily data availability for usage and the convenience of a remote reading system, which makes entry to the private residences and inconveniencing the tenants not required for meter reading.



Description of the sub-metering system to be installed:

Quadlogic Control Corporation's MC5N (PSC Approved) meters measure usage in kilowatt-hours, VARs, VAs, Watts, Amps, and Power Factor. Other features of this meter include a non-volatile memory and an easy to read LCD 6-digit display. Additionally, the meter monitors and stores an apartment's hourly electric usage and retains this information for approximately 60 days. The submetering system meets ANSI C12.1 and C12.16 American National Standards Institute Code for Electricity Metering.

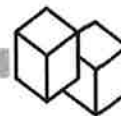
Remote reading capability is possible through the use of Quadlogic Controls Power Line Carrier system, which is installed in more than 60,000 apartment units in the New York Metropolitan area. The system also features sophisticated self-diagnostics to ensure reliable operations. It can also be upgraded to provide advanced data. Please see attached Quadlogic Specifications for further details.

Method to be used to calculate rates to the Owners:

The average rate calculation is derived by taking the total dollar cost charged to the building by Consolidated Edison (Con Edison) (and ESCO if applicable) and dividing it by the total electric usage (kWh) of the building for a specific period. The cost per kWh is then multiplied by the tenant's actual consumption plus sales tax to derive total electric cost.

The following is an example of the formula that will be used to derive a tenant's electricity charges based on Average rate and a monthly usage of 250 kWh:

		Total
Total building's cost: Con Edison (and ESCO if applicable)	\$AA.AA	
Total building kWh	BBBB	
Rate	\$AA.AA / BBBB	\$CC.CC
kWh (Tenant)	250 times \$CC.CC	\$YY.YY
Sales Tax	YY.YY times .045000	\$ T.TT
	YY.YY plus T.TT	\$ZZ.ZZ
Tenant Cost		\$ZZ.ZZ



In no event will the total monthly rates (including any monthly administrative charge) exceed the utility's tariff residential rate for direct metered service to such residents (see 16 NYCRR § 96.2 [b] (3))

All Con Edison rates by classification are available on its website (www.coned.com) under Rates and Tariffs. The electric Rates and Tariffs are listed under the heading "PSC No. 10" – Electric: Full Service.

QuadLogic Controls Corp. as the Building's electric billing company will read the meters monthly and process a bill based on the actual consumption of each unit owner. The meter reading data and billing calculations will be documented and maintained for six (6) years, per the requirements set forth in 16 NYCRR §96.

Complaint procedures and owner protection:

When a unit owner has a question about electric bill or believes the electric bill is inaccurate, the following protocol will be followed:

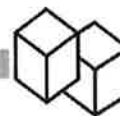
Unit owner should submit the complaint to the property manager of the Building, including the action or relief requested and/or the reason for a complaint about a submetering charge. The property manager shall investigate and respond to the complaint in writing within 15 days of the receipt of the complaint. **The Property Management FirstService Residential can be contacted at 622 Third Avenue, 15th Floor, New York, NY 10017. The Property Manager; Marc Kotler can be contacted via email at marc.kotler@fsresidential.com or by telephone number 212-634-5420.** If the unit owner and the property manager cannot reach an equitable agreement and the unit owner continues to believe the complaint has not been adequately addressed, then the unit owner may file a complaint with the Public Service Commission through the Department of Public Service. Alternatively, unit owner may contact the Department of Public Service at any time concerning submetered service in writing at New York State Department of Public Service, 3 Empire State Plaza, Albany, New York 12223, by telephone at 1-800-342-3377, in person at the nearest office at 90 Church Street, New York, New York 10007, or via the Internet at www.dps.ny.gov

Electric bills from Quadlogic to unit owners will contain, among other things, opening and closing meter reads and dates, usage during a current period, a breakdown of dollar amounts billed, sales tax, the total charge for the period, and the total amount due (see attached sample Quadlogic electric bill).

In the event of non-payment of electric charges, the Owner shall afford the owner's all notices and protections available to such owner's pursuant to the Home Energy Fair Practices Act ("HEFPA") before any action(s) based on such non-payment, including termination of service, is commenced (see attached HEFPA documents for the Building). Electric will not be treated as additional by the Owner.

Procedure for notifying owner and Con-Edison of the proposal to sub-meter; offering plan; test billing:

A section in the offering plan will notify each owner that their unit is submetered for electricity.(the submetering offering plan will be added as an addendum to the building's offering plan) The provision will in plain language clearly enumerate the grievance procedures for the owner and will specify the rate calculation, rate caps, complaint procedures, and owner protections and enforcement mechanisms and such provisions will be in compliance with the Home Energy Fair Practices Act. Con Edison will be notified



at the time this petition is filed with the Public Service Commission under separate cover (see attached letter to Con Edison)

Enforcement mechanism is available to tenants:

The complaint procedure constitutes the owner's standard enforcement program, which are in compliance with the Home Energy Fair Practices Act

Certification that the offering plan language shall be sufficient to describe all relevant information to the owner:

The Owner will certify that the method of rate calculation, rate cap, complaint procedures, owner protections, and enforcement mechanism will be incorporated in all offering plan agreements for sub-metering (see attached submetering offering plan).

Statement on sub-metering system capability to individually terminate electricity from each unit:

The MC5N system allows for the termination of submetered electric service to a particular unit consistent with the requirements of HEFPA.

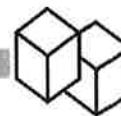
Installation of the sub-metering system:

The submetering system has not been installed as yet. Expected installation date is June 2017.

Thank you for your attention to this matter.

Sincerely,


Jeffrey Gershon



522-528 LLC

Mr. David DeSanti
General Manager
Central Energy Services
Consolidated Edison Company of New York, Inc.
4 Irving Place
New York, NY 10003

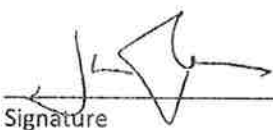
Re: Petition to sub-meter electricity at the building located at 509 Pacific Street, Brooklyn, NY 11217.

Dear Mr. DeSanti,

522-528 LLC, submitted to the New York State Public Service Commission a petition for an order to sub-meter electricity at the above-referenced property, which is located within the service territory of Consolidated Edison Company, Inc.

Thank you,

Sincerely,


Signature

Jeffrey Gershon
Name

Agent For: 522-528 LLC
Company Name



New York State Public Service Commission
Office of Consumer Policy

Submetering Identification Form



Name of Entity: 522-528 LLC			Corporate Address: 475 Park Avenue South		
City: New York	State: NY	Zip: 10014	Web Site:		
Phone: 212.620.0021			Utility Account Number: <i>not known as yet</i>		
Chief Executive: Jeffrey Gershon			Account Holder Name: <i>not known as yet</i>		
Phone:			E-mail:		
DPS Case Number:					

Primary Regulatory Complaint Contact

Secondary Regulatory Complaint Contact

Name: <i>Marc Kotler</i>			Name: <i>N/A</i>		
Phone: <i>212-634-5420</i>			Phone:		
Fax:			Fax:		
E-mail: <i>marc.kotler@residential.com</i>			E-mail:		
Address: <i>622 Third Ave. 15 Floor</i>			Address:		
City: <i>New York</i>	State: <i>N.Y.</i>	Zip: <i>10017</i>	City:	State:	Zip:

We do not send complaints to personal e-mail addresses. A shared e-mail address must be provided or the transmission will default to the fax number listed above. Please enter the e-mail address, if any, to which we should send complaints: _____

Name of Property: <i>509 Pacific Street</i>			Service Address: <i>509 Pacific Street</i>		
City: <i>Brooklyn</i>	State: <i>N.Y.</i>	Zip: <i>11217</i>			
Electric Heat? <i>Y</i> <input checked="" type="checkbox"/>			Electric Hot Water? <i>Y</i> <input checked="" type="checkbox"/>		
# Units Occupied by: <i>Sr. Citizens N/A Disabled N/A</i>			Total # of Units <i>38</i>		
Rent Stabilized <i>N/A</i> # Rent Controlled <i>N/A</i>			# Rent-Regulated <i>N/A</i> # Market Rate <i>38</i>		
Rental: <i>Y</i> <input checked="" type="checkbox"/> Condo: <i>Y</i> <input checked="" type="checkbox"/> Co-Op: <i>Y</i> <input checked="" type="checkbox"/>					
# Low Income <i>N/A</i>	# Section 8 <i>N/A</i>	# Landlord Assist Program <i>N/A</i>	# Other <i>N/A</i>		
Submeter / Billing Agent: <i>Quadlogi Control</i>			Address: <i>3300 Northern Blvd.</i>		
City: <i>Long Island City</i>	State: <i>N.Y.</i>	Zip: <i>11101</i>	<i>2nd Floor</i>		
Contact Name: <i>Alison Christopher</i>			Contact Phone: <i>212-930-9300</i>	Contact Fax: <i>212-930-9393</i>	

Please return this form within 5 days to:

Hon. Kathleen H. Burgess, Secretary to the Commission
NYS Public Service Commission
3 Empire State Plaza
Albany, NY 12223-1350
E-mail: secretary@dps.ny.gov

(Rev. 9/20/13)

Changes in contact
information should
be submitted within
5 days of any
personnel change.

Submetering Offering Plan
509 Pacific Street, Brooklyn, New York 11217

1. You acknowledge that Consolidated Edison Company of New York (Con Edison), will be the provider of electricity to the building and that Owner will be paying the charges for such electricity directly to this entity (or its successor), You will be required to pay Owner for the use of electricity at the Apartment on the basis of a separate (submetered) charge that will be billed to You by Owner (or its agent) on a monthly basis. The charges to You for electricity are due without offset or abatement on the first day of each and every month for which a bill is rendered. In the event of non-payment of electric charges, the Owner shall afford You all notices and protections available to You pursuant to the Home Energy Fair Practices Act (HEFPA) before any action(s) based on such non-payment, including termination of service, is commenced. **In the event that an owner is invoiced incorrectly, the property management will refund the unit owner affected by the submeterer actions that led to such refunds provided that the submeterer has such contact information for the residents.**

2. Method to be used to calculate rates to residents

The average rate calculation is derived by taking the total dollar cost charged to the building by Consolidated Edison (Con Edison) (and ESCO if applicable) and dividing it by the total electric usage (kWh) of the building for a specific period. The cost per kWh is then multiplied by the tenant's actual consumption plus sales tax to derive total electric cost.

The following is an example of the formula that will be used to derive a tenant's electricity charges based on Average rate and a monthly usage of 250 kWh:

		Total
Total building's cost: Con Edison (and ESCO if applicable)	\$AA.AA	
Total building kWh	BBBB	
Rate	\$AA.AA / BBBB	\$CC.CC
kWh (Tenant)	250 times \$CC.CC	\$YY.YY
Sales Tax	YY.YY times .045000	\$ T.TT
	YY.YY plus T.TT	\$ZZ.ZZ
Tenant Cost		\$ZZ.ZZ

In no event will the total monthly rates exceed the utility's rate for direct metered service to residents (per 16 NYCRR § 96.2)

All Con-Edison rates are detailed on the Con-Edison website (www.coned.com) under Rates and Tariffs. The electric rates are listed under the heading "PSC No. 10" – Electric: Full Service.

Quad Logic Controls Corp. as the Building's electric billing company will read the meters monthly and process a bill based on the actual consumption of each tenant. The meter reading data and billing calculations will be documented and maintained for six (6) years, per the requirements set forth in 16 NYCRR §96.

3. When an owner has a question about an electric bill or believes the electric bill is inaccurate, the following protocol will be followed:

Unit owner should submit the complaint to the property manager of the Building, including the action or relief requested and/or the reason for a complaint about a submetering charge. The property manager shall investigate and respond to the complaint in writing within 15 days of the receipt of the complaint. **The Property Management FirstService Residential can be contacted at 622 Third Avenue, 15th Floor, New York, NY 10017. The Property Manager; Marc Kotler can be contacted via email at marc.kotler@fsresidential.com or by telephone number 212-634-5420.** If the unit owner and the property manager cannot reach an equitable agreement and the unit owner continues to believe the complaint has not been adequately addressed, then the unit owner may file a complaint with the Public Service Commission through the Department of Public Service. Alternatively, unit owner may contact the Department of Public Service at any time concerning submetered service in writing at New York State Department of Public Service, 3 Empire State Plaza, Albany, New York 12223, by telephone at 1-800-342-3377, in person at the nearest office at 90 Church Street, New York, New York 10007, or via the Internet at www.dps.ny.gov

Electric bills from Quadlogic to owner will contain, among other things, the name, address, dates of the present and previous readings, whether estimated or actual, the meter multiplier, amount consumed between present and current readings, the customer's service classification, administrative charge and the amount owed for the latest period. (see attached sample Quadlogic electric bill).

4. You will be afforded rights and protections available to residential energy consumers in New York State under HEFPA, including the ability to file a complaint with the PSC. The nearest office of the PSC is at: NYS Public Service Commission, 90 Church Street, New York, NY 10007, 212-417-2234, 800-342-3377, **www.dps.ny.gov**. You may contact the PSC at any time if you are dissatisfied regarding management's response to Your complaint or at any time regarding submetered service.
5. You may request balanced billing for Your electric charges. Balanced billing divides the electric costs into equal monthly payments. Periodically, the balanced billing amounts will be reviewed and adjusted as necessary. At the end of one year, You shall be responsible to pay for any electric costs in excess of the balanced billing amount paid.
6. If You have difficulty paying the electric bill, You may contact the management company for the Building by telephone or by letter in order to arrange for a deferred payment agreement, whereby You may be able to pay the balance owed over a period of time. If You can show financial need, the management company for the Building can work with You to determine the length of the agreement and the amount of each monthly payment.

7. Regardless of Your payment history, the management company and submeterer of the Building will continue electric service if Your health or safety is threatened. When You become aware of such hardship, the management company for the Building can refer You to the Department of Social Services. Please notify the management company for the Building if the following conditions exist:
 - a. **Medical Emergencies.** You must provide a medical certificate from a doctor or local board of health; or
 - b. **Life Support Equipment.** If You have life support equipment and a medical certificate.
8. Special protections may be available if You and/or those living with You are age eighteen (18) or younger or sixty-two (62) and older, blind, or disabled.
9. If You are age sixty-two (62) or older, You may be eligible for quarterly billing for Your electrical charges.
10. You can designate a third party as an additional contact to receive notices of past due balances for your electrical charges.
11. As a residential customer for electricity, You also have certain additional rights assured by HEFPA.
12. You agree that at all times the use of electricity in the Apartment shall never exceed the capacity of existing feeders to the Building or the risers, wiring or electrical installations serving the Apartment. You shall not make any alterations, modifications or additions to the electrical installations serving the Apartment.
13. Owner shall have the right to suspend electric service to the Apartment when necessary by reason of accident or for repairs, alterations, replacements or improvements necessary or desirable in Owner judgment for as long as may be reasonably required by reason thereof and Owner shall not incur any liability for any damage or loss sustained by You or any other occupant of the Apartment as a result of such suspension. Owner shall not in any way be liable or responsible to You or any other occupant for any loss, damage, cost or expense that You or any occupant of the Apartment may incur if either the quantity or character of electric service is changed or is no longer available or suitable for Your requirements or if the supply or availability of Electricity is limited, reduced, interrupted, or suspended by the public utility company serving the Building or for any reason or circumstances beyond the control of Shareholder. Except as may be provided by applicable law, You shall not be entitled to any rent reduction because of a stoppage, modification, interruption, suspension, limitation, or reduction of electric service to the Apartment.
14. If Owner (or its agent) fails to deliver a bill to You for the use of electricity at the Apartment for any given month, then such failure shall not prejudice or impair Shareholder right to subsequently deliver or cause its agent to deliver such a bill to You, nor shall any such failure relieve or excuse You from having to pay such bill, except as may otherwise be provided by applicable law.
15. You may qualify for a rate reduction the equivalent of that which is provided by Con Edison to customers who are enrolled in its low-income program pursuant to its tariff (see P.S.C. No. 10 – Electricity, Thirtieth Revised Leaf No. 202). If you receive benefits under Supplemental Security Income, Temporary Assistance to Needy Persons/Families, Safety Net Assistance, or Food Stamps, or have received a Home Energy Assistance Program grant in the preceding twelve (12) months, please alert a management company representative by phone or in writing and he/she will work with you.

CONDOMINIUM OFFERING PLAN

**THE HENDRIK CONDOMINIUM
509 PACIFIC STREET
BROOKLYN, NEW YORK 11217
COUNTY OF KINGS**

33 Residential Units:	\$83,830,000
1 Retail Unit	\$44,000,000
12 Parking Spaces	\$1,800,000
Total Offering Amount	\$129,630,000

SPONSOR:
522-528 LLC
12 West 23rd Street
New York, New York 10010

SALES OFFICE:
416 Atlantic Avenue
Brooklyn, New York 11217

SELLING AGENT:
Halstead Property Development
Marketing, LLC
445 Park Avenue, 12th Floor
New York, New York 10022
(212) 381-4203

Filing Date of this Offering Plan: _____, 201____. This Offering Plan may not be used after _____, 201____, unless this Offering Plan is extended by amendment.

This Offering Plan contains Special Risks to Purchasers. See Page 1.

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

THIS OFFERING PLAN IS SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS OFFERING PLAN AND TO FILE THIS OFFERING 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 OF LAW OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

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PART I

CONDOMINIUM OFFERING PLAN

**THE HENDRIK CONDOMINIUM
509 PACIFIC STREET
BROOKLYN, NEW YORK 11217**

SPECIAL RISKS

Sponsor Control of the Condominium Board

1. (a) Sponsor will have voting control over the Condominium Board until the earlier of: (i) the fifth anniversary of the First Closing; (ii) the Closing of Title to all Units (including the Retail Unit); or (iii) the date on which Sponsor otherwise exercises its right to relinquish voting control of the Condominium Board ("Sponsor Control Period"). Notwithstanding the relinquishment of control by Sponsor, the Condominium Board cannot take any action whatsoever which would interfere to any degree with Sponsor's rights under the Plan or Sponsor's ability to meet its obligations under the Plan, including without limitation Sponsor's obligation to procure a PCO for the Building.

(b) After the Sponsor Control Period, Sponsor shall have the right to designate 1 Residential Member to the Condominium Board for so long as Sponsor continues to own at least 1 Unsold Residential Unit.

(c) During the Sponsor Control Period, Sponsor will designate a majority of the Residential Members and shall have voting control of the Condominium Board. Therefore, Sponsor will have control of the maintenance and operation of, and the services to be provided by, the Condominium, and will determine the Common Charges to be paid by all Unit Owners. Sponsor may continue to exercise veto power over certain actions of, or contemplated by, the Condominium Board after the Sponsor Control Period. For so long as Sponsor shall continue to own Unsold Residential Units representing at least 25% in number of all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges or Special Assessment for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees from those described in the First Year's Budget, or (d) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services in excess of those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not diminish or eliminate services, facilities or any line items described in the First Year's Budget; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer; or (iv) ensure the health and safety of the occupants of the Condominium.

(d) See the Sections of the Plan entitled "Control By Sponsor" and "Condominium Board" for details.

Purchase of a Condominium Unit

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

(b) At the time Purchaser executes a Purchase Agreement, Purchaser will be required to deliver an Initial Deposit in an amount equal to 10% of the Purchase Price. At the earlier to occur of (i) 6

months after the date the Purchase Agreement is fully executed; or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective, Purchaser will be required to deliver an Additional Deposit in an amount equal to 5% of the Purchase Price. Notwithstanding the foregoing, a Purchaser executing a Purchase Agreement on or after the date the Plan is declared effective is required to deliver the full Deposit in an amount equal to 15% of the Purchase Price.

(c) In the event a Purchaser defaults under the Purchase Agreement, time being of the essence with regard to the obligations of Purchaser under the Purchase Agreement, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel the Purchase Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then the Purchase Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, all Deposits and any interest earned thereon. Upon the cancellation of the Purchase Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though the Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close title to the Unit in accordance with the Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled under the Purchase Agreement (including, but not limited to, attorneys' fees, disbursements and costs of collection). See the Section of the Plan entitled "Procedure to Purchase" for details.

(d) TIME IS OF THE ESSENCE as to Purchaser's obligations under the Purchase Agreement, including, without limitation for the payment of all Deposits and the Balance of the Purchase Price. According to Black's Law Dictionary (Revised Fifth Edition), "time is of the essence of contract" means generally that punctual performance by one party at one precise time named or within a period specified in the contract is essential to enable the party to require performance by the other party.

(e) Under current law, if a Purchaser makes a Deposit in excess of \$250,000 for the purchase of a Residential Unit, the amount in excess of \$250,000 will not be federally insured. If a Purchaser maintains accounts at the Escrow Bank, the funds in such accounts, together with the Deposit, may be aggregated by the Escrow Bank for purposes of determining the \$250,000 federally insured limit. Additionally, until such time as Purchaser delivers either an executed W-9 Form or W-8 Form to Sponsor, the Deposit shall remain non-interest bearing. Until the Deposit is transferred into an interest-bearing sub-account, the Deposit may not be federally insured even if the Deposit does not exceed \$250,000. No representation is made with respect to any further changes in Law concerning such accounts. Purchasers should consult with their accountants or financial advisors for further information. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

(f) If a Purchaser fails for any reason to close title to the Residential Unit on the originally Scheduled Closing Date other than due to Sponsor's failure or inability to Close: (a) the Closing apportionments to be made at the Closing will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing occurs ("Actual Closing Date"), and (b) Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the Purchase Price of the Residential Unit for each day commencing with the Scheduled Closing Date through the Actual Closing Date, as a reimbursement of Sponsor's increased carrying costs by virtue of the delay, in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(g) The signing of the Purchase Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan) including, but not limited to, the Unit, the Building, the Parking Spaces, and all other Common Elements contained in the Building. Sponsor has no

obligation to make any repairs, improvements or decorations in or to the Property, the Units, the Parking Spaces, the Building or the Common Elements, except as may otherwise be set forth in the Plan. (See the Sections of the Plan entitled "Procedure to Purchase" and "Rights and Obligations of Sponsor" for details.)

(h) A Residential Unit Owner who acquired title to the Residential Unit from Sponsor is prohibited under the Purchase Agreement for a period of twelve (12) months from the First Closing from taking any of the following actions without Sponsor's prior written consent, which consent may be withheld, conditioned, or delayed, in Sponsor's sole and absolute discretion: (i) listing such Residential Unit for sale with any broker, (ii) placing or authorizing any listing in any broker's listing system or other listing service, or (iii) advertising or otherwise offering, promoting or publicizing the availability of such Residential Unit for sale.

Conveyance of Title

3. In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser is not then in default, will be to either (i) take title to the Unit subject to the title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (ii) terminate the Purchase Agreement within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect. If Purchaser fails to notify Sponsor of Purchaser's election within 15 days after Sponsor notified Purchaser of Sponsor's failure or refusal to remedy the title defect, it will be conclusively deemed that Purchaser elected to acquire title subject to the title defect. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money in excess of $\frac{1}{2}$ of 1% of the Purchase Price of the affected Unit to make title insurable or to eliminate any encumbrances or title defects. (See the Section of the Plan entitled "Terms of Sale" for details.)

Sponsor's Right to Rent Unsold Residential Units

4. (a) Sponsor intends, in good faith, to sell rather than rent Residential Units. However, Sponsor reserves the unconditional right to rent rather than sell Residential Units after the consummation of the Plan. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium.

(b) Sponsor intends to offer Unsold Residential Units for sale both to Purchasers for personal occupancy and Purchasers who are purchasing for investment or resale. Purchasers for investment or resale may rent such Residential Units rather than use such Residential Units for personal occupancy. As a result, some and possibly many Residential Units may be occupied by renters instead of Residential Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers of Residential Units, the Condominium Board is unable to limit the number of Purchasers who purchase Residential Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Residential Unit Owners who are not occupants. It is possible that Residential Unit Owners who occupy Residential Units may have different interests than those Residential Unit Owners who do not occupy Residential Units.

(c) Sponsor reserves the unconditional right to make Bulk Sales of Residential Units. Purchasers of Bulk Sales of Residential Units shall be bound by Sponsor's representations in the Plan with regard to Sponsor's commitment to sell Residential Units.

Closing Fees

5. Purchasers shall be required to pay (i) certain closing fees to Attorneys for Sponsor at Closing, and (ii) all New York City Real Property Transfer Tax ("RPT Tax"), New York State Real Estate Transfer Tax ("State Transfer Tax") and New York State Additional Real Estate Transfer Tax, commonly referred to as the "Mansion Tax," imposed on their purchase. The New York City Department of Finance has taken the position that where the purchaser of property assumes the obligation for the payment of the State Transfer Tax and the RPT Tax, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be treated as additional consideration for the transaction subject to tax. The State Transfer Tax is currently equal to \$2 per \$500 of the bulked up consideration and the RPT Tax is currently equal to 1% of the bulked up consideration where the bulked up consideration is \$500,000 or less, and 1.425% where the bulked up consideration is greater than \$500,000. See the Section of the Plan entitled "Closing Costs and Adjustments" for details.

Reserve Fund and Working Capital Fund

6. (a) Schedule B - First Year's Budget includes a line item for a Reserve Fund for the sole purpose of costs and expenses related to capital repairs, replacements and improvements. The Reserve Fund amount was the product of a Reserve Fund Study undertaken by Sponsor. For so long as Sponsor continues to own at least 1 Unsold Residential Unit, the Condominium Board must maintain the Reserve Fund and any change in the amount of the Reserve Fund shall be made only with Sponsor's prior written consent. Sponsor makes no representation that the Reserve Fund will satisfy the requirements of a Purchaser's lender. Because the Building will be entirely new construction, Sponsor does not anticipate the imminent need for such capital repairs, replacements or improvements. However, no representation is given that such needs will not arise in the future. Unit Owners will be obligated to pay their share of the cost of repairs, replacements and/or improvements to the Common Elements as the need for such arises.

(b) The contingency line item provided for in Schedule B - First Year's Budget is intended to provide a fund for unanticipated expenses not included in the First Year's Budget and for possible increases in operating expenses above the amounts projected if the Working Capital Fund is not sufficient to cover such costs. The contingency line item is not intended, and may not be sufficient, to meet the cost of any major capital repairs or replacements which may be required. If additional funds are required to meet such costs, it may be necessary for the Condominium Board to increase Common Charges or impose Special Assessments.

(c) Each Purchaser of a Residential Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium at Closing, in an amount equal to 2 months' Common Charges with respect to the Residential Unit based on the Condominium budget in effect as of the Closing Date. The payment of the Working Capital Fund shall be required of all Purchasers of Residential Units, whether purchased from Sponsor or purchased from a Residential Unit Owner on a resale.

(d) See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.

Foreign Government Purchaser

7. Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or

connected with the Purchase Agreement or the Condominium Documents. Any Foreign Government Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. A Foreign Government Purchaser will be required to deposit with the Condominium at Closing an amount equal to 1 year Common Charges with respect to the Residential Unit based on the Condominium budget in effect as of the Closing Date of the Residential Unit which will be in addition to the required contribution to the Working Capital Fund. Such amount shall increase from time to time as such Common Charges increase, together with the full amount of any Special Assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws of the Condominium. In the event that such Foreign Government Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Foreign Government Unit Owner is in default. Thereafter, the Foreign Government Unit Owner shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

Parking Space Licenses

8. (a) Sponsor is offering Purchasers of Residential Units the opportunity to purchase certain Parking Spaces pursuant to the terms of a license ("Parking Space License") for the exclusive use of Purchaser for so long as Purchaser owns a Residential Unit in the Building, the form of which is set forth in Part II of the Plan. Although the Parking Space Area is a Residential Common Element, the Condominium Board has granted Sponsor the exclusive right, without charge, to sell Parking Spaces located therein and retain all proceeds of such sale. The Condominium will not be entitled to any of the proceeds from the sale of the Parking Spaces.

(b) Based upon market conditions, until such time as Sponsor has entered into a Purchase Agreement with respect to the sale of a Parking Space, Sponsor reserves the right to withdraw the offering of the Parking Space and/or to reduce the number of Parking Spaces offered. After such time that Sponsor has entered into a Purchase Agreement with respect to the sale of a Parking Space, Sponsor may withdraw or reduce the offering of any Parking Spaces but only to the extent that such withdrawal or reduction does not affect any Parking Spaces already under contract. If, subject to the foregoing limitations, Sponsor elects to withdraw or reduce the offering of any Parking Spaces, then such withdrawal or reduction shall be disclosed by Sponsor in an amendment to the Plan, and Sponsor shall have the right to utilize such Parking Space Area for any use as determined by Sponsor in its sole discretion. Furthermore, in the event of such withdrawal or reduction, with respect only to Purchasers (i) who have not entered into Purchase Agreements for Parking Spaces and (ii) who have entered into Purchase Agreements for Parking Spaces unaffected by the withdrawal or reduction, such Purchasers shall not be relieved of any of their obligations under their respective Purchase Agreements as a result of such withdrawal or reduction, including, without limitation, the obligation to purchase the Residential Unit.

(c) The Parking Spaces and the Parking Space Area will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Parking Space Licensee. The Condominium Board, its agents and employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Parking Space Area.

(d) See the Section of the Plan entitled "Rights and Obligations of Unit Owners," subsection "Use of Units and Common Elements and Parking Spaces" for details.

Non-Resident Building Manager

9. The Condominium Board will employ a building manager for the Condominium who will not reside in the Building and will engage a person or agency to perform janitorial services on a 24-hour-a-day basis. (See the Section of the Plan entitled “Description of Property.”)

No Bond or Other Security Posted

10. As of the Filing Date of the Plan, Sponsor has sufficient resources to fund its obligations set forth in the Plan. No bond or other security has been posted by Sponsor to secure Sponsor’s obligation under the Plan. (See the Section of the Plan entitled “Rights and Obligations of Sponsor” for details.)

Services and Facilities

11. (a) Purchasers are advised that some of the services and facilities described in the Plan (such as a full staff of Building personnel and usage of certain amenity areas) may not be available until approximately 12 months after the First Closing. Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or alterations, as well as the use of the passenger and/or service elevators, will be restricted during the period that Sponsor is performing work in the Building. Additionally, until certain occupancy levels in the Building are achieved, the hours and duties of the Building staff may be reduced. However, at all times after the First Closing of a Residential Unit, the residential lobby will be attended by a part-time doorman.

(b) Purchasers will not be entitled to any credit or abatement against the Purchase Price or Common Charges if any services and/or facilities are not available for use on or after Purchaser’s Closing. The Condominium Board shall have the right, but not the obligation, in its sole and absolute discretion, to adjust the First Year’s Budget to reduce Common Charges for the period in which such services and/or facilities are not available.

(c) See the Section of the Plan entitled “Description of Property and Improvements” subsection “Services and Facilities” for details.

Temporary Certificate of Occupancy

12. (a) Purchasers are advised that in New York City, newly constructed and newly renovated buildings are sometimes offered as condominium projects without a permanent certificate of occupancy (“PCO”) covering the entire building but with only a temporary certificate of occupancy (“TCO”), and sometimes with several successive temporary certificates of occupancy. Certificates of occupancy are generally governed by Section 301 of the New York Multiple Dwelling Law and local building codes and rules. Both TCOs and PCOs are issued by the Buildings Department. A TCO is intended to indicate that the property is safe for occupancy, but means that not all of the construction work and/or inspections have been performed, or that not all of the required documents have been submitted to the DOB. All TCOs have an expiration date. A TCO typically expires 90 days after the date of issuance. When a TCO expires and is not renewed, it may be difficult or impossible to buy insurance, refinance, or sell units. In New York City, it is common for sponsors to commence unit closings when some or all units are covered by a TCO rather than a PCO. Sponsor anticipates this scenario will occur. No Closing of a Residential Unit will occur prior to the issuance of a TCO for the particular Residential Unit. Sponsor will undertake the responsibility for extending each TCO prior to its expiration, and ultimately for obtaining a PCO covering the entire Building within 2 years from the date of the issuance of the first TCO, subject, however, to (i) Force Majeure, (ii) actions by Unit Owners or tenants of Unit Owners, (iii) work undertaken in a Unit by a Unit Owner, except in instances where Sponsor or Sponsor-controlled Condominium Board have given its consent to a Unit Owner to perform

alterations, (iv) work undertaken in Common Elements by the Condominium Board after Sponsor no longer controls the Condominium Board or (v) any other cause over which Sponsor has no control. Sponsor does not make any representation that the Buildings Department will issue the PCO within such 2 year period. Notwithstanding the foregoing, Sponsor and its principals are obligated to procure the PCO for the Building, and shall exercise best efforts to obtain the PCO within such 2 year period while keeping the TCO current. Unit Owners and the Condominium Board 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 prior to the procurement of a PCO, such renovations may cause additional delays in the issuance of a PCO. Nevertheless, Sponsor and its principals are obligated to procure the PCO. However, Sponsor or the Condominium Board may refuse to permit a Residential Unit Owner to perform alterations until such time as a PCO has been obtained.

Purchasers are advised to visit the DOB website for further recommendations when purchasing a Unit in a building that does not have a PCO. A Factsheet on Certificates of Occupancy is currently available on the DOB website at: http://www.nyc.gov/html/dob/downloads/pdf/co_factsheet.pdf. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

(b) The only construction prerequisite to Closing is the issuance of a TCO for the Unit or a PCO for the Building. As such, each Purchaser shall be required to close title to their particular Residential Unit once a TCO is issued irrespective of outstanding items of work, provided Sponsor has satisfied the closing conditions set forth in the Section of the Plan entitled "Terms of Sale."

(c) Notwithstanding anything to the contrary, Purchasers will be required to consummate the purchase of the Residential Unit and the Parking Space simultaneously at Closing even if a TCO has not been issued for the Parking Space Area. In such event, Purchasers will not be able to access or use the Parking Space until such time as a TCO has been issued for the Parking Space Area. Additionally, the proceeds from the sale of the Parking Space will be held in escrow ("Parking Space Escrow") by Escrow Agent until such time as a TCO has been issued for the Parking Space Area. The Parking Space Escrow will not be held in an interest bearing escrow account, and, therefore, Purchaser will earn no interest on the Parking Space Escrow.

On-Going Construction

13. (a) It is anticipated that for a significant period of time following the First Closing through, including and beyond the Closing of Title to any Residential Unit, work should be expected to be undertaken and performed by or on behalf of Sponsor to complete construction of the Building, including without limitation, the Residential Units, the amenities and facilities, Parking Spaces, the decoration or finishing of the residential lobby, corridors, elevator finishes and other portions of the Building, including installing light fixtures, painting, hanging wall coverings or laying carpeting. All of the foregoing work and conditions may create a noisy or otherwise disruptive condition in the Building. In no event, however, shall any noise be in violation of Law, including applicable NYC noise ordinances. The Condominium Board may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and a PCO has been obtained. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services shall not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. In addition, the presence of scaffolding, hoists or construction elevator shafts or similar temporary construction facilities may delay the Closing of Title to certain Residential Units or lines of Residential Units until such scaffolding, hoists, elevators or temporary facilities are no longer needed and are removed. (See the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities" for details.)

(b) Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. It is both customary and anticipated that certain issues will arise during the course of the construction process that warrant the taking of corrective action, including the repair or replacement of construction defects in order to satisfy Sponsor's obligations under the Plan.

(c) No assurance can be given with regard to the accuracy of any projected completion dates set forth in the Plan. It is anticipated that during the first few years of Condominium operation, construction workers and related personnel will be at the Building from time to time, completing construction of the Building, making adjustments and corrections and performing various tasks relating to the completion of construction. During this period, various building systems, including but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may require substantial time to complete and may need to be shut down temporarily. Various other adjustments to windows and elevators and other systems may require substantial time to be completed after the First Closing. With regard to the foregoing, in executing a Purchase Agreement, Purchaser acknowledges that Sponsor shall not be liable to Purchaser or any third party, nor will Purchaser be entitled to any credit, offset or reduction in the Purchase Price of the Residential Unit or otherwise be relieved from any obligation under the Purchase Agreement: (i) as a result of any of the conditions described above; (ii) in the event of non-completion of any item of construction on any projected date; or (iii) compensation for the presence of scaffolding on any portion of the Building or any interruption of services in the Building. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

(d) The Building will contain certain major mechanical equipment, including, but not limited to, elevator machine rooms, fans, pumps, domestic water tanks, chillers, packaged units and cooling towers (collectively, "Equipment") located in the cellar and on the bulkhead which may cause noise and vibration throughout the Building. While Sponsor will endeavor to reduce excessive noise and vibration emanating from the Equipment, it may be impossible to eliminate such noise and vibration entirely. As a result, Residential Units and amenity areas in close proximity may be affected. In no event, however, shall any noise emanating from the Equipment be in violation of Law, including applicable NYC noise ordinances.

(e) As is typical and customary in newly constructed or renovated buildings, the Building will be subject to normal settling, deflection, expansion and shifting. Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Unit Owner for any cracks in the crown molding, minor gapping in the flooring, uneven ceilings or floors, floor buckling or other conditions resulting from such settling, deflection, expansion or shifting (if any). Additionally, Purchasers should note that since the ceramic, marble, stone and wood finishing installed throughout the Units (in areas including, but not limited to, flooring, walls, countertops, backsplash and vanity tops) are cut from different slabs and are comprised of natural materials, there will be variations in the tone and color of such finishes. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

(f) In the event that the Building will be occupied by tenants and/or Unit Owners prior to the issuance of a PCO for the Building, a tenant protection plan will be created and distributed to each occupant who will be occupying any dwelling units in the Building during construction, to the extent required by the Buildings Department.

(g) Sponsor's obligations, regardless of any limitations in any warranty or in the Plan, cannot go below the duty to construct the Building in accordance with all applicable Laws and the Plans and Specifications, and any conflict between any such disclaimers and Sponsor's obligation to construct the Building in accordance with all applicable Laws and the Plans and Specifications shall be resolved in favor of the latter. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

Retail Unit

14. (a) The Condominium will contain 1 Retail Unit. The Retail Unit is being offered for sale at this time.

(b) No representation is made (i) with respect to the future ownership or tenancies of any portion of the Retail Unit and (ii) that the owners, tenants, occupants, or other users of the Retail Unit will be agreeable to Residential Unit Owners, their Permitted Users, or any other parties. No representation is made with respect to the uses to which any portion of the Retail Unit may be put at any time, except that the Retail Unit may be used for any purpose permitted by Law. The uses of the Retail Unit may generate noise, traffic, fumes, odors, vibrations, or other disturbances over which the Condominium Board and the Residential Unit Owners will have no control. Residential Unit Owners will not have any interest in the rents, profits or revenues generated from the business, rental, or other use of any space in the Retail Unit.

(c) The Retail Unit Owner and its Permitted Users shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any and without amendment to the Plan, to (i) subdivide and/or combine the Retail Unit and/or (ii) change the Retail Unit in size by relocating a boundary wall between retail units. In the event of a subdivision, combination, and/or change in size of the Retail Unit, the Retail Unit Owner shall additionally have the right to reapportion among the Retail Unit their respective Common Interests. Any additional condominium units created as a result of a subdivision of the Retail Unit will retain the same rights, privileges, and benefits afforded the original Retail Unit Owner and will be subject to the same obligations imposed on the original Retail Unit Owner, as set forth in the Condominium Documents. Notwithstanding the foregoing, in the event of a subdivision of the Retail Unit, the resulting Unit Owners of the subdivided Retail Unit shall have the right to collectively designate only 1 member to the Condominium Board.

(d) The Retail Unit Owner and its Permitted Users shall have an easement in, over, under, through or upon the Common Elements (i) for the purpose of accessing the Retail Unit or any portion of the Building servicing the Retail Unit, (ii) for the purpose of exiting the Building in the event of an emergency, and (iii) to install, operate, maintain, repair, alter, rebuild, restore and replace any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or Facilities forming a part of or servicing the Retail Unit.

(e) In addition to the foregoing, the Retail Unit Owner and its Permitted Users shall have the right and an easement, as applicable, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or Mortgage Representatives, if any:

(1) to erect, maintain, repair and replace one or more signs and lighting, of such size and content as the Retail Unit Owner shall determine in the windows of the Retail Unit, including, without limitation, any storefronts of the Retail Unit, for the purposes of advertising (a) the sale or rental of all or any portion of the Retail Unit or (b) the operation of any business for which the Retail Unit is used.

(2) subject only to Sponsor's prior written consent in each instance for so long as Sponsor continues to own an Unsold Unit, to (i) alter, modify, and/or restore the exterior façade and/or the windows of the Retail Unit, including, without limitation, any storefronts, and (ii) create additional means of egress and ingress to the Retail Unit.

(3) to use the sidewalk adjacent to the Retail Unit for any purposes permitted by Law, including, without limitation, food and beverage services and the placement of outdoor seating, tables, lighting and signage on such sidewalk, provided that the entrances to the Building are not impeded by such use. In the event the Retail Unit Owner utilizes a sidewalk adjacent to the Retail Unit, the maintenance, replacement, and repair of the sidewalk during the period of use,

together with all costs and expenses associated therewith, shall be the responsibility of the Retail Unit Owner.

- (f) See the Section of the Plan entitled "Retail Unit" for details.

Special Allocation of Certain Common Expenses

15. Each Unit Owner must pay Common Charges to cover the cost of the operation and maintenance of the Condominium and Building in accordance with the New York Condominium Act (Real Property Law §§339(i)(iv) and 339(m)). These costs, including those directly attributable to the Units and an allocated share of expenses attributable to the Condominium as a whole, will generally be borne by the Unit Owners in proportion to their respective Common Interests. However, certain budgeted items are allocated between the Residential Units and the Retail Unit on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements, which may not be modified without the consent of the Retail Unit Owner. (See the Section of the Plan entitled "Schedule B – Budget for First Year of Condominium Operation" and Section 6.2 of the By-Laws for details.)

Apportionments with the Condominium

16. At the First Closing, certain apportionments will be made between Sponsor and the Condominium. If the result of Closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be deferred and paid to Sponsor by the Condominium in one installment on the first anniversary of the First Closing, without interest, pursuant to an unsecured, negotiable, promissory note executed by the Condominium Board and delivered to Sponsor at the First Closing. The promissory note may be prepaid by the Condominium in full at any time, or in part from time to time, without penalty. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

Window Treatments

17. In order to preserve the architectural harmony of the Building, the By-Laws provide that all Residential Unit Owners shall be obligated, regardless of the type of window treatment they use, to provide for a white backing on the window treatment so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" for details.)

Effectiveness of the Plan

18. Pursuant to Law, Sponsor may declare the Plan effective by entering into Purchase Agreements for the sale of a minimum of 15% of the Units offered for sale (i.e. 6 Units based on 34 Units offered for sale). Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to create a Condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately close title to their Units. In the event that all Purchase Agreements are rescinded or terminated prior to the date of the First Closing, Sponsor will re-declare the Plan effective by submission of an amendment to the Department of Law, regardless whether the Declaration has been recorded. (See the Section of the Plan entitled "Effective Date" for details.)

Purchase Agreement Not Contingent on Financing

19. (a) Although a Purchaser may obtain financing from any lending institution or other source, Purchaser's obligation to purchase a Residential Unit is not contingent on Purchaser obtaining financing. In the event a Purchaser defaults under a Purchase Agreement beyond all applicable cure

periods as a result of inability to obtain financing, Sponsor shall be entitled to exercise any remedies provided under the Purchase Agreement, including the right to retain the Deposit as liquidated damages. Neither Sponsor nor Selling Agent makes any representation as to the availability or terms of any form of financing. Purchasers may want to consult with a lending institution and/or finalize their financing arrangements before signing a Purchase Agreement. While the First Closing is projected to occur on or around December 1, 2017, neither Sponsor nor Selling Agent makes any representation as to the actual closing date for any particular Unit. In addition, as set forth in the Plan and the Purchase Agreement, Sponsor has the right to adjourn the Closing Date from time to time and Purchasers should be aware that if the Closing Date is adjourned, Purchaser's financing terms may be adversely affected, the interest rate may increase and the loan commitment could expire. Sponsor shall have no liability as a result of any scheduling or adjournment of Closing beyond the expiration of a loan commitment. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(b) Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on purchase financing. Such restrictions include, among others, requiring that a certain percentage (such as 70% or more) of the units 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 difficulties in obtaining a loan in a building or group of buildings where the percentage of units purchased and owner-occupancy is lower than a lender's particular sales or owner-occupancy minimum. It also may be difficult for a Purchaser to resell a Residential Unit if prospective buyers are unable to obtain a loan due to the same sales or owner-occupancy minimum requirements of lenders.

(c) Even after the Building has been submitted to a condominium regime, lenders may still impose minimum sales and/or owner-occupancy requirements before granting a loan. It then may be difficult for a Purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to such minimum sales and/or owner-occupancy requirements.

Special Rights of Sponsor

20. (a) Sponsor shall have an exclusive easement (i) to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements (including Residential Limited Common Elements and Parking Spaces appurtenant to Residential Units) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit. Sponsor shall be entitled to permit any one or more of such easements to be utilized by the Retail Unit Owner and/or Permitted Users. Sponsor reserves the right to install fireplace flues and mechanical equipment on the roof of the Building. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

(b) Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Unit Owner, any non-material portion of the Common Elements for the exclusive use of such Unit Owner provided that such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan, and the Declaration and Tax Lot Drawings will be amended, if required. (See the Sections of the Plan entitled "Changes in Prices and Units" for details.)

(c) During the Sponsor Control Period, the Condominium Board shall have the right, in its sole discretion, to waive Unit Owner obligations to pay Common Charges from the First Closing for a period to be determined by the Condominium Board, provided the basic operating costs of the Condominium

(inclusive of insurance premiums and reserves required by lenders) are paid by Sponsor. If the Condominium Board elects to waive payment of Common Charges, Sponsor shall disclose such waiver of Common Charges and the expected period of time of such waiver of Common Charges ("Waiver Period") in the 30 day closing notice to Purchasers and in the post-closing amendment to the Plan. In the event the Condominium Board elects to extend the Waiver Period, Sponsor will amend the Plan to disclose the extended Waiver Period. In the event that the term of the Waiver Period has not already been disclosed, Sponsor shall additionally file an amendment to the Plan disclosing the expiration of the Waiver Period and notify all Unit Owners in writing 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 Condominium Board shall remain obligated to update the budget in accordance with the terms of the Plan. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners," subsection "Common Charges: Determination and Assessment" for details.)

(d) Sponsor reserves the right to make any changes in the proposed Condominium Documents and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of Units, or due to structural, architectural or mechanical considerations provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner or Purchaser, increase any obligation of a Unit Owner or Purchaser to any adverse and material degree and any substitution of appliances, equipment or materials shall be of substantially Equal or Better Quality. Any such material and adverse modification, addition or change will be reflected in a duly filed amendment to the Plan. There is a rebuttable presumption that an increase or decrease in the square footage of a Unit, as set forth in the Schedule A, by 5% or less (excluding interior partitions) is not a material and/or adverse change. (See the Sections of the Plan entitled "Changes in Prices and Units" for details.)

(e) No amendment, modification, addition or deletion of the terms of the Declaration, By-Laws or any Residential Rules and Regulations (other than those required by Law) shall be effective (a) against Sponsor unless Sponsor has given its prior written consent, or (b) to adversely affect the Retail Unit Owner unless the Retail Unit Owner has given its prior written consent thereto. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

Future Construction

21. No representation is made that future construction in the neighborhood surrounding the Property will not result in obstruction of the views from any windows and/or terrace in the Building. (See the Section of the Plan entitled "Location and Area Information" for details.)

Unit Measurements

22. (a) Floor Plans depicting proposed layouts of Units and the Parking Spaces appear in Part II of the Plan. For measurement purposes, the approximate square foot area of each Unit (within reasonable tolerances) is measured horizontally on each of one or more floors from the exterior side of the glass or the exterior walls of the Building to the midpoint of the interior walls and partitions separating one Unit from another Unit, or the midpoint of the interior walls and partitions separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements or to the opposite exterior side of the glass or the exterior walls of the Building, as the case may be, however, columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits in all Units are not deducted from measurement of each Unit. Measured vertically, each Unit will consist of the volume from the top of the floor slab (located under the finished flooring and sub-floor materials) to the underside of the floor slab above.

(b) As is customary in New York, these square footages exceed the usable floor area of each Unit. See the Footnotes to Schedule A in Part I of the Plan and the "Description of Property and Improvements" set forth in Part II of the Plan for details.

Window Guards / Legally Compliant Window Stops

23. Any installations, replacements, and/or repairs in connection with legally-compliant window guards and/or window stops in any Residential Unit shall be performed at the direction of the Managing Agent and all costs associated therewith shall be borne by the Residential Unit Owner. It is the responsibility of each Residential Unit Owner to (i) notify the Managing Agent in writing if any child under the age of eleven (11) years resides (even temporarily) in the Residential Unit, (ii) make the necessary arrangements with respect to the installation, repair, replacement, operation, and/or maintenance of legally-compliant window guards and/or window stops in the Residential Unit and/or any additional equipment as required by Law, and (iii) otherwise ensure that all operable windows located in the Residential Unit comply with Laws relating to window guards and/or window stops. Sponsor makes no representation whether or not Residential Unit Owners will comply with the foregoing obligations. (See the Section of the Plan entitled "Terms of Sale" for further details.)

Marketing Materials

24. In no event shall the presence of any furniture, furnishings, finishes, equipment or decorations, wall coverings, window treatments, carpeting and the like ("FFE") in any portion of the Building or Residential Units set forth in any marketing materials and/or advertisements, and/or websites used in connection with the sales and marketing of the Residential Units imply or represent that any such FFE will be located within any portion of the Building or Residential Units. The presence of FFE in such marketing materials is for illustrative purposes only. In addition, marketing materials may use designations, labels or nomenclature to describe certain areas or rooms within Residential Units that differ from the designations utilized on the Floor Plans of the Residential Units set forth in Part II of the Plan, including, without limitation, closets, hallways, dens/media rooms and powder rooms. In no event, however, shall any designations, labels or nomenclature used in marketing materials conflict with the legally permitted uses of such areas or rooms. The use of such designations, labels or nomenclature is for marketing purposes only and does not obligate Sponsor to deliver such areas or rooms designed or fitted out in the manner depicted or implied in the marketing materials.

Wood Products

25. Purchasers should note that wood products have certain inherent risks. Risks associated with all wood products (including, without limitation, wood flooring, furniture, cabinetry, and molding) include, but are not limited to, the following: cracks between the floor boards, squeaks, cupping, knots, mineral streaks, warping, splitting, denting, and/or delamination. The foregoing items may affect light-colored wood more noticeably. Additionally, wood products are subject to variations (i) in color (including possibly white, red, black, or even green shades), (ii) in the pattern and/or texture of wood grain, and (iii) in the appearance of finishes (including wood staining, gloss, and/or matte finishes). These variations may occur between wood products located in the same area of the Residential Unit. Wood products can also be affected by exposure to light and may darken, lighten, fade, and otherwise change with use and age. Protective felt pads and protective sheeting (such as plywood or masonite) should always be used on wood flooring when placing furniture or appliances avoid denting. As recommended by the National Wood Flooring Association, Unit Owners are advised to be very cautious about washing wood products with a wet mop or otherwise with water, since contact with standing water can cause cupping, swelling, and subsequent gapping. For more information about the effect of water on wood flooring, Purchasers should make reference to the National Wood Flooring Association, available at <http://www.nwfa.org/>. All wood products should be maintained in accordance with the

manufacturer's recommendations. All references in the Plan to wood products shall be deemed references to engineered wood products unless otherwise specified. (See the Section of the Plan entitled "Rights and Obligations Unit Owners" for further details.)

Resale Fee

26. Each Residential Unit Owner who acquired a Residential Unit from Sponsor ("Sponsor Sale") and subsequently enters into an agreement ("Resale Agreement") to sell such Residential Unit prior to the first anniversary of the First Closing ("Resale") shall be obligated to pay to Sponsor a portion of the proceeds of the Resale ("Resale Fee"). Such Residential Unit Owner will be required to provide Sponsor with Notice of the Resale Agreement within ten (10) days after entering into the Resale Agreement. The Resale Fee paid to Sponsor at the closing of the Resale shall be equal to 50% of the "Gross Profit," i.e. the difference between (A) the "Net Profit," i.e. the sales price of the Residential Unit set forth in the Resale Agreement less the following expenses actually paid by the Residential Unit Owner (to the extent applicable): (1) brokerage commissions not exceeding 6% in the aggregate; (2) transfer taxes imposed by Law, if paid for by the Residential Unit Owner, and (3) actual legal fees not exceeding \$5,000, and (B) the "Sponsor Sale Price," i.e. the Purchase Price paid to Sponsor in connection with the Sponsor Sale. At such time as Sponsor no longer owns any Unsold Residential Units, the obligation to pay the Resale Fee shall no longer be applicable. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" for further details.)

Principals of Sponsor Have Executed the Certification of Sponsor and Principals for Compliance with the Martin Act and Governing Regulations

27. Consistent with a recent First Department decision, the principals of Sponsor expressly disclaim the existence of any private right of action for contract claims by individual unit owners (or a board on their behalf) in connection with or arising solely from their execution of the Certification of Sponsor and Principals, absent liability under another statute or under an alter-ego or other veil-piercing theory. See Board of Managers of 184 Thompson Street Condominium v. 184 Thompson Street Owner LLC, et al, 106 A.D. 3d 542 (1st Dept. 2013).

Insurance

28. (a) The budgeted line item for the insurance premiums set forth in Schedule B represents current insurance premiums at current rates. In recent years, premiums for insurance (especially fire, terrorism, and liability insurance) have increased significantly. Although the projections in Schedule B are believed to be reasonable, Purchasers should note that insurance premiums could increase depending on market and weather conditions. It is not possible to predict whether future premiums will continue to escalate at the same substantial rate or will level off. No assurance is given that insurance premiums will not increase.

(b) Sponsor does not make any representation that the insurance limits set forth in Schedule B will meet the requirements of a lender who finances the purchase of a Unit. If Purchaser's lender requires additional insurance, Purchaser will be obligated to obtain such supplemental insurance at Purchaser's sole cost and expense.

Roof Terraces

29. Any Residential Unit Owner whose Residential Unit has an appurtenant Terrace shall neither install nor permit to be installed any improvement, fixture, or other additions which exceed a maximum load of 100 lbs./square foot, unless such Residential Unit Owner (i) first obtains approval by the Condominium Board to increase the load-bearing capacity of the Terrace and complies with any

reasonable requests by the Condominium Board for copies of certificates of insurance, permits, authorizations, approvals, and/or certificates required for such work, and (ii) engages a professional structural engineer having at least ten (10) years' experience in structural engineering to design additional support to increase the load-bearing capacity of the Terrace and performs all such work in conformity therewith.

ICAP Real Estate Tax Benefits

30. Sponsor has applied for partial exemption from real estate taxes attributable to the Retail Unit pursuant to the Industrial and Commercial Incentive Program ("ICAP Program") pursuant to Title II, Chapter 2 of the New York City Administrative Code ("ICAP Benefits"). Sponsor shall not be obligated to incur any extraordinary expenses (beyond the customary expenses associated with such approvals) or commence any litigation to obtain such approval. Sponsor anticipates but does not guarantee that such approval will be obtained. If such approval is not obtained, a Purchaser of the Retail Unit has no right to rescind the Purchase Agreement, even though ICAP Benefits would not be available to the Retail Unit. If granted, the ICAP Benefits are expected to be in effect for a period of 15-25 years, depending on the determination by the Department of Finance. Neither Sponsor, Attorneys for Sponsor, Income Tax Counsel, Metropolitan Valuation Services, Seiden & Schein, P.C., Selling Agent, Managing Agent, nor any other person makes any representation that the partial exemption from real estate taxes under the ICAP Program will be granted in whole or in part, or if granted, will not be later reduced or revoked, or as to the amount of the tax which will be assessed against Retail Unit or the amount of real estate taxes payable at any time by the Retail Unit Owner. (See the Sections of the Plan entitled "Projected ICAP Real Estate Tax Benefits" in Part I, "Real Estate Tax Projection Opinion" in Part II, and "ICAP Benefits Opinion" also in Part II for more details.)

Quality Housing Program

31. The Building is required to comply with the Quality Housing Program. The Quality Housing Program is a mandatory program in certain zoning districts, whose purpose is encourage development consistent with the character of the established neighborhood. For Buildings that participate in this program, typical effects of the Quality Housing Program can include height limits, special allowances for high lot coverage buildings that are set near or at the street line, and requirements for amenities relating to interior space, recreation areas, and landscaping. For more information about the Quality Housing Program, including its specific requirements for each zoning district, please refer to the following website: <http://www.nyc.gov/html/dcp/pdf/zone/art02c08.pdf>. In this case, the design of the Building, as described under the terms of this Offering Plan, complies with all mandatory requirements. (See the Section of the Plan entitled "Description of Property and Improvements" set forth in Part II of the Plan for details.)

Marketing Floors

32. Two different methods exist for numbering the floors in the Building, as reflected in the schedule of floor numberings provided in the "Description of Property and Improvements" set forth in Part II of the Plan. For purposes of marketing, the floors in the Building will be designated 1st through 7th and will skip a 2nd floor. Unless specifically provided otherwise, all references to floors and unit designations in the Plan will be consistent with the marketing floor and unit numbering system. (See the Section of the Plan entitled "Description of Property and Improvements" set forth in Part II of the Plan for details.)

Alternative Floor Plans for Residential Units 3B, 4B, 3E, 4E, and 5D

33. While Sponsor is offering Residential Units 3B, 4B, 3E, 4E, and 5D as three-bedroom units, the Floor Plans additionally include alternative floor plans for these Residential Units with four-bedroom designs ("Alternative Floor Plans"). Upon the request of Purchaser, Sponsor may, in its sole discretion, elect to deliver the Residential Unit in accordance with the Alternative Floor Plan instead of the original three-bedroom layout. Any extra costs and expenses associated with constructing the Residential Unit in accordance with the Alternative Floor Plan shall be at the sole cost and expense of Purchaser. Any Residential Unit constructed pursuant to an Alternative Unit Floor Plan will contain the same square footage and Offering Price as set forth on the Schedule A. (See the Section located in Part I of the Plan entitled "Description of Property and Improvements" and the Section located in Part II of the Plan entitled "Floor Plans" for more details.)

Non-Accessible Roof Terrace

34. (a) There will be a portion of the roof that will be vacant and/or containing mechanical equipment ("Non-Accessible Roof Area"). Despite being a Common Element, the Non-Accessible Roof Area shall not be accessible to any Residential Unit Owner or the public, although the Condominium Board and the Building staff shall have access for maintenance purposes.

(b) It is presently contemplated, but in no way guaranteed, that Sponsor may redesign the Non-Accessible Roof Area in the future by sectioning the Non-Accessible Roof Area into one or more private terraces or cabanas ("Redesign") that can be offered for sale by Sponsor to Residential Unit Owners pursuant to licensing arrangements. If the Non-Accessible Roof Area is redesigned in the future, (a) such Redesign shall be disclosed in a duly filed amendment to the Plan and (b) the rights and obligations of Residential Unit Owners with respect to their respective Residential Units shall not be adversely affected as a result of such Redesign.

(c) See the Section of the Plan entitled "Description of Property and Improvements."

INTRODUCTION

Nature of the Transaction

522-528 LLC ("Sponsor") is a limited liability company organized and existing under the laws of the State of New York. Sponsor acquired the Property on December 15, 2014 from H&L New York LLC.

Sponsor presents this offering plan, as the same may be amended from time to time ("Plan") for the establishment of condominium ownership of the Land and Building pursuant to the Condominium Act. The Condominium will be known as The Hendrik Condominium and located at 509 Pacific Street, Brooklyn, New York 11217 ("Property").

The principal (as such term is defined in the Attorney General's regulations) of Sponsor is Jeffrey Gershon. (See the Sections of the Plan entitled "Identity of Parties" and the "Certification of Sponsor and Principals" in Part II of the Plan for details.)

The Condominium will consist of: (a) 33 Residential Units, (b) 1 Retail Unit, and (c) 12 Parking Spaces. The Residential Units and the Retail Unit are collectively referred to as the "Units."

The Offering Plan

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor. The Plan contains all of the detailed terms of the transaction.

Sponsor may from time to time amend the Plan by filing an amendment with the New York State Department of Law ("Department of Law") and serving such amendment on Purchasers and Unit Owners.

The Plan is presented in two parts that, together with all documents filed with the Department of Law, constitute the entire offer of Sponsor. Part I sets forth a general description of the offering and the Condominium and Part II contains the basic documents necessary to create the Condominium and otherwise effectuate the Plan. Also included in Part II is a detailed physical description of the Property and certifications as to certain matters discussed in the Plan.

In addition, Sponsor has filed with the Department of Law, Exhibits to the Plan which, along with the Plan, constitute the entire offer of Sponsor. Copies of the Plan and all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the Plan shall be available for inspection by Purchasers and their attorneys without charge and for copying at a reasonable charge by any Person who shall have purchased a Unit offered by the Plan at the Sales Office and available for inspection and copying at the office of the Department of Law. A prospective Purchaser may borrow the Plan upon payment of a \$300 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition or (ii) the execution by the prospective Purchaser of a Purchase Agreement subsequently accepted by Sponsor. Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All documents are important and should be read carefully by Purchasers.

All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Definitions," unless otherwise defined.

The Property

The Building will be newly constructed. Based upon the current construction schedule, Sponsor contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about December 1, 2017. Purchasers should note however that: (i) Residential Units will be completed at different times over a period that may begin

prior to and/or extend significantly beyond such projected date, and (ii) Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreements for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon.

A detailed description of the Property is contained in the Section of the Plan entitled "Description of Property and Improvements" set forth in Part I of the Plan.

Offering of Residential Units for Sale

Sponsor hereby offers the Residential Units for sale pursuant to the Plan. The Purchase Prices for each of the Residential Units are listed in the Section of the Plan entitled "Schedule A - Purchase Prices and Related Information" ("Schedule A"). THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Offering of Retail Unit for Sale

Sponsor hereby offers the Retail Unit for sale pursuant to the Plan. The Purchase Prices for the Retail Unit are listed in the Section of the Plan entitled "Schedule A - Purchase Prices and Related Information" ("Schedule A"). THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY. All terms of sale with respect to the Retail Unit are freely negotiable without resort to the form Purchase Agreement set forth in Part II of the Plan, including, but not limited to, the amount of the Deposits, payment of use and occupancy fees from the date of Closing until the Condominium Board's imposition of Common Charges, terms of sale and insurance coverage requirements.

Sponsor reserves the right to deliver one or more Retail Unit as "raw space", subject only to Sponsor's obligation to install such plumbing, electrical and mechanical hook-ups for the future installation by the Retail Unit Owner or to install such other fixtures as Sponsor and the Purchaser of the Retail Unit shall agree upon, if any. In such event, the Retail Unit Owner shall be obligated to Close Title prior to the issuance of a TCO or PCO for the Retail Unit, which will be the obligation of the Retail Unit Owner to obtain.

In the event the Closing of Title to the Retail Unit occurs in advance of the First Closing, the First Year of Condominium Operation as defined in the Plan will not commence until the First Closing.

Offering of Parking Spaces for Sale

Sponsor hereby offers the Parking Spaces for sale pursuant to the Plan. The Parking Spaces will be conveyed pursuant to a license agreement, the form of which is set forth in Part II of the plan ("Parking Space License"). A Parking Space may only be purchased by a Purchaser of a Residential Unit. The Purchase Price for each of the Parking Spaces is listed in Schedule "A." THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY. The Condominium Board has the right to impose monthly license fees and Special Assessments in connection with the Parking Space Licenses.

Although the Parking Space Area is a Residential Common Element, the Condominium Board has granted Sponsor the exclusive right, without charge, to sell the Parking Spaces located therein and retain all proceeds of such sale. The Condominium will not be entitled to any of the proceeds from the sale of the Parking Spaces.

Sponsor reserves the right to offer as many Parking Spaces as it determines and to withhold one or more for future sale. In addition, Sponsor has the right to limit the number of Parking Spaces sold to any single Purchaser of a Residential Unit or to make bulk sales, as it deems fit.

Based upon market conditions, until such time as Sponsor has entered into a Purchase Agreement with respect to the sale of a Parking Space, Sponsor reserves the right to withdraw the offering of Parking Spaces and/or to reduce the number of Parking Spaces offered. After such time that Sponsor has entered into a Purchase Agreement with respect to the sale of a Parking Space, Sponsor may withdraw or reduce the offering of any Parking Spaces but only to the extent that such withdrawal or reduction does not affect any Parking Spaces already under contract. If, subject to the foregoing limitations, Sponsor elects to withdraw or reduce the offering of any Parking Spaces, then such withdrawal or reduction shall be disclosed by Sponsor in an amendment to the Plan, and Sponsor shall have the right to utilize such Parking Space Area for any use as determined by Sponsor in its sole discretion. Furthermore, in the event of such withdrawal or reduction, with respect only to Purchasers (i) who have not entered into Purchase Agreements for Parking Spaces and (ii) who have entered into Purchase Agreements for Parking Spaces unaffected by the withdrawal or reduction, such Purchasers shall not be relieved of any of their obligations under their respective Purchase Agreements as a result of such withdrawal or reduction, including, without limitation, the obligation to purchase the Residential Unit.

Conveyance of Title

In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser is not then in default, will be to either (i) take title subject to the title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (ii) terminate the Purchase Agreement, within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect. If Purchaser fails to notify Sponsor of Purchaser's election within 15 days after Sponsor notified Purchaser of Sponsor's failure or refusal to remedy the title defect, it will be conclusively deemed that Purchaser elected to acquire title subject to the title defect. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money in excess of ½ of 1% of the Purchase Price of the affected Unit to make title insurable or to eliminate any encumbrances or title defects. (See the Section of the Plan entitled "Terms of Sale" for details.)

Sponsor's Reservation of Right to Rent Rather than Sell Residential Units

Sponsor intends, in good faith, to sell rather than rent Residential Units. However, Sponsor reserves the unconditional right to rent rather than sell Residential Units after the consummation of the Plan. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium.

Sponsor intends to offer Residential Units for sale both to Purchasers for personal occupancy and Purchasers who are purchasing for investment or resale. Purchasers for investment or resale may rent such Residential Units rather than use such Residential Units for personal occupancy. As a result, some and possibly many Residential Units may be occupied by renters instead of Residential Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers of Residential Units, the Condominium Board is unable to limit the number of Purchasers who purchase Residential Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage

of Residential Unit Owners who are not occupants. It is possible that Residential Unit Owners who occupy Residential Units may have different interests than those Residential Unit Owners who do not occupy Residential Units.

Sponsor reserves the right to offer the Residential Units in such order of priority as it may determine, and to withhold one or more Residential Units for future sale or rental. In addition, Sponsor has the right to limit the number of Residential Units sold to any Purchaser and to make Bulk Sales of Residential Units. The Purchaser of such Residential Units shall be bound by Sponsor's representations in the Plan with regard to Sponsor's commitment to sell Residential Units.

Sponsor has not yet procured financing for the construction of the Building. Subsequent to Sponsor's acquisition of construction financing, Sponsor will amend the Plan to disclose any requirements imposed by the Construction Lender with respect to the sale of the Residential Units.

Basic Aspects of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a private home in the case of a Residential Unit, and a building in the case of the Retail Unit. Each Unit Owner owns fee title to the Unit and is entitled to the exclusive possession and use thereof and is obligated to comply, with the terms of the Condominium Documents and any other requirements implemented by the Condominium Board. Each Unit Owner also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements. The Common Elements are comprised of: (i) portions of the Property serving and benefiting all Units, generally, including, for example, the Land upon which the Building stands and foundations and supports of the Building, these Common Elements being more specifically designated as "General Common Elements," (ii) portions of the Building serving and benefiting the Residential Units, exclusively, including for example, and without limitation, the residential lobby, residential hallways, residential corridors and residential elevators exclusively servicing the Residential Units, these Common Elements being more specifically designated as "Residential Common Elements;" and (iii) portions of the Building exclusively serving and benefiting one Residential Unit such as a Terrace, these Common Elements being specifically designated as "Residential Limited Common Elements."

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage the Unit with such lender and in such amount as the Unit Owner chooses. However, Sponsor does not make any representations about the financeability of any Unit. There are no limitations or restrictions upon the rights of Sponsor to mortgage Unsold Residential Units or the rights of Retail Unit Owner to mortgage Retail Unit. Each Unit is separate and will not be subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

Operation of the Condominium will be vested in a Condominium Board, the members of whom will be elected by the Residential Unit Owners, subject to the rights of Sponsor and the Retail Unit Owner to designate members of the Condominium Board, as set forth in the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." When voting for members of the Condominium Board, each Residential Unit Owner shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Residential Unit per Residential Member to be elected.

A Unit Owner may decorate and construct the interior of the Unit in any way the Unit Owner desires, subject to compliance with the Condominium Documents and Law, and will be solely responsible for the cost of maintenance and interior repairs to the Unit after Closing.

Each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes assessed against any other Unit. In the opinion of Tax Counsel to Sponsor, which opinion is set forth in full in Part II of the Plan, a Residential Unit Owner who itemizes deductions may be eligible, under current Law, to deduct from income for income tax purposes, real estate taxes and interest paid on the

Unit Owner's mortgage, subject to certain exceptions and limitations discussed in the "Attorney's Income Tax Opinion" set forth in Part II of the Plan. (See the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" for details.)

The cost of operating the Condominium will be borne entirely by the Unit Owners in accordance with allocations set forth in the "Schedule B – Projected Budget for First Year of Condominium Operation." As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Unit Owners for Common Charges to meet Common Expenses. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners only. Common Charges will be assessed against Residential Unit Owners in the same proportion their respective Residential Units bears to the aggregate Common Interests of all Residential Units. The estimated Common Charges for each Unit for the First Year of Condominium Operation are set forth in Schedule A. Purchasers are obligated to pay monthly Common Charges pursuant to the Condominium Act (RPL Sections 339 (i) and (m)).

The Common Interests of each Unit in the Common Elements has been determined pursuant to the method set forth in Real Property Law Section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

The Residential Common Interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interests of all of the Residential Units in the Condominium.

Certain budgeted items (See the "Notes to Schedule B" for details) are allocated between the Residential Units and the Retail Unit on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements. The Condominium Board may not modify these allocations without the consent of the Retail Unit Owner. In the opinion of Sponsor's budget expert, as set forth in the Certifications of Budget Expert set forth in Part II of the Plan, the allocated Common Charges payable by the Retail Unit Owner are sufficient to cover the expenses fairly attributable to the Retail Unit. Unit Owners will have no interest in any rents, net profits or revenues derived from the rental or use of any Unit owned by another. The aggregate Common Interest of all Units equals 100%. The aggregate Residential Common Interests of all Residential Units equals 100%. The percentage of Common Interests are the basis for determining a Unit Owner's share of distribution upon termination of the Condominium with Unit Owners then sharing pro rata in the proceeds of the Condominium. Each Unit's Common Interest and Residential Common Interest, as applicable, and estimate of the Common Charges that will be payable by the Unit Owner during the First Year of Condominium Operation of the Property subsequent to the First Closing are set forth in the Section of the Plan entitled "Schedule A – Purchase Prices of Units and Related Information."

After the Closing of Title to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the Unit, any Residential Limited Common Elements appurtenant thereto, and any Unit Owner Property, as well as liability insurance with respect to occurrences in or about the Unit and any Residential Limited Common Elements appurtenant thereto. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements (except for any Residential Limited Common Elements appurtenant to Units and any Unit Owner Property located in a Common Element), in accordance with the provisions of the By-Laws. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

Each Purchaser of a Residential Unit will be required to make a non-refundable contribution to the Working Capital Fund of the Condominium at Closing, in an amount equal to 2 months' Common Charges with respect to the Residential Unit based on the Condominium budget in effect as of the Closing Date. The

payment of the Working Capital Fund shall be required of all Purchasers of Residential Units, whether purchased from Sponsor or purchased from a Residential Unit Owner on a resale.

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes with respect to the Unit (both before and after such taxes are separately assessed and billed against the Unit by the City of New York), interest and amortization payments on any mortgage and charges for electricity consumed in the Unit.

A Residential Unit shall be used for residential purposes only, including permitted "home occupation" as defined in the Zoning Resolution of the City of New York, as may be amended from time to time (except as described below), and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory," "bed and breakfast" or other transient hotel-type use. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, a member of such limited liability company, the fiduciary or beneficiary of such fiduciary, a principal or employee of such other entity, respectively, or by members of the immediate family or guests of any of the foregoing. A Residential Unit may be used for any other purpose, provided such use is permitted by, and complies with Law, does not violate the then existing TCO or PCO covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use. Use and occupancy of the Residential Unit shall be subject to the Residential Rules and Regulations of the Condominium which may be amended from time to time.

A Parking Space may be used only for the parking of passenger automobiles and motorcycles. No representation is made as to the type or size of vehicles that can be accommodated in any particular Parking Space. A Parking Space may not be used for sleeping, dining or other occupancy uses (collectively, "Prohibited Uses"). The use of a Parking Space for a Prohibited Use can result in violations being posted against the Building. Any and all costs or expenses incurred by the Condominium or the other Unit Owners as a result of such Prohibited Use shall be borne by the Owner of the Residential Unit to which such Parking Space is appurtenant. Sponsor shall have the right to use any Parking Space for any purpose permitted by Law or to change the permitted use of such Parking Space subject to the provisions of the By-Laws.

Sponsor may, without the consent of either the Condominium Board or the Unit Owners, use any Unsold Parking Space for any purpose permitted by Law or to change the permitted use of an Unsold Parking Space, subject to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Parking Space may not be licensed independently of a Residential Unit.

With certain exceptions, as set forth in the By-Laws, any sale or rental of a Residential Unit will be subject to a right by the Condominium Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Residential Unit on the same terms as were offered to the owner of such Residential Unit. Sponsor and the Retail Unit Owner may sell or lease their respective Units, or portions thereof, without any restriction or limitation. Since the Condominium Board does not have the right to approve or disapprove potential Purchasers of Residential Units, the Condominium Board is unable to limit the number of Purchasers who purchase Residential Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Residential Unit Owners who are not occupants. It is possible that Residential Unit Owners who occupy Residential Units may have different interests than those Residential Unit Owners who do not occupy Residential Units. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners" subsection "Sales and Leases of Units" for details.)

Each Residential Unit Owner has exclusive use, subject to any and all Residential Rules and Regulations implemented by the Condominium Board, of any Residential Limited Common Element appurtenant to such Residential Unit Owner's Residential Unit, as shown on the Floor Plans included in Part II of the Plan, and is responsible for all normal maintenance, repairs and replacements thereto. However, the costs and expenses of any structural or extraordinary repairs or replacements to any Residential Limited

Common Element (including any leaks which are not caused by the negligence of the Residential Unit Owner having access to same) shall be charged to all Residential Unit Owners as a Residential Common Expense. The type, size, weight, location and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior approval of the Condominium Board and shall be in compliance with Law.

There are no limitations on who may purchase Units, except as set forth herein. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, limited liability company, an association, a trust or any other entity which is permitted to take title pursuant to Law. Sponsor reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Condominium Board, any Unit Owner or mortgagee, to refuse to approve and execute Purchase Agreements for one or more Units to any Person. Sponsor shall not discriminate against any person because of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's Initial Deposit thereunder (see the Section of the Plan entitled "Procedure to Purchase" for details). Sponsor will not accept an offer of purchase from an individual younger than 18 years of age or an incompetent under Law.

The Interstate Land Sales Full Disclosure Act, 15 U.S.C. §§1701 et seq. ("Act") is a federal statute administered, as of July 21, 2011, by the Consumer Financial Protection Bureau ("CFPB") pursuant to the Dodd-Frank Act. The Act requires sponsors of certain new construction condominium projects to file a statement of record ("Statement") and property report ("Property Report") with CFPB and to provide a copy of the Property Report to purchasers before they sign a purchase agreement, unless the condominium project or sale is exempt from this filing requirement. On September 26, 2014, President Obama signed into law a bill amending the Act to exempt sponsors of new construction condominium projects from the obligation to file a Statement and Property Report. The law takes effect 180 days after its enactment, which is March 25, 2015. As of March 25, 2015 the registration and filing requirements of the Act are no longer applicable for condominium projects in New York.

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

DEFINITIONS

For convenience of presentation, general definitions of certain of the terms used in the Plan are set forth below, which definitions are subject in most cases to the more particular definitions of such terms set forth in the Declaration, the By-Laws and the Condominium Act. They include the following:

“Additional Deposit” shall mean a deposit in an amount equal to 5% of the Purchase Price required to be delivered by Purchaser before the earlier to occur of (i) 6 months after the date on which a Purchase Agreement is executed by Sponsor and Purchaser, or (ii) 15 days after the Presentation Date of an amendment declaring the Plan effective.

“Adverse Effect,” or “adverse effect” shall mean any action or proposed change with respect to any Unit Owner(s), that such action or change could, if realized, (i) increase the Common Charges payable over those set forth in the budget in effect at the time in question by 25% or more, (ii) materially and permanently interfere with such Unit Owner’s access to the Unit, (iii) materially and permanently obstruct or degrade the view from the windows and/or Terraces of the Unit (excluding lot line windows) or (iv) otherwise materially diminish the use and enjoyment of the Unit.

“Appurtenant Interest” shall mean, with respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or rental of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

“Building” shall mean the building located at 509 Pacific Street, Brooklyn, New York 11217.

“Buildings Department” shall mean the office of the New York City Department of Buildings or any successor agency.

“Bulk Sales” shall mean the transfer of 10 or more Residential Units or 20% of the total number of Residential Units in the Condominium, whichever is less.

“By-Laws” shall mean the by-laws governing the operations of the Condominium, which are set forth as Exhibit D to the Declaration, as the same may be amended from time to time, substantially in the form set forth in Part II of the Plan.

“Closing” or “Closing of Title” shall mean the date, time, place and procedure by which, among other things, fee title to a Unit and its appurtenant Common Interest is conveyed pursuant to a fully-executed Purchase Agreement.

“Closing Date” shall mean the date on which a Closing occurs.

“Common Charges” shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata, in accordance with their Schedule B allocations and as provided in the Declaration or in the By-Laws to meet the Common Expenses.

“Common Elements” shall mean the Property, other than the Units themselves, being comprised of the General Common Elements, Residential Common Elements, and the Residential Limited Common Elements.

“Common Expenses” shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve, or a reserve fund for

working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); and (iii) generally, the conduct of the affairs of the Condominium. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners.

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

“Condominium” shall mean the The Hendrik Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

“Condominium Act” shall mean the New York Condominium Act, as amended from time to time (New York Real Property Law, Article 9-B).

“Condominium Board” shall mean the board of managers of the Condominium which will manage the affairs of the Condominium.

“Condominium Documents” shall mean the Declaration, the By-Laws, the Residential Rules and Regulations and the Tax Lot Drawings.

“Construction Lender” shall mean a Person, together with its respective successors and assigns, from whom Sponsor has procured, or will have procured, an agreement for financing the construction of the Building.

“Declarant” shall mean 522-528 LLC and its successors and assigns.

“Declaration” shall mean the instrument creating the Condominium, as the same may be amended from time to time, which is set forth in Part II of the Plan.

“Department of Law” shall mean the Real Estate Finance Bureau of the Department of Law of the State of New York.

“Deposits” shall mean, collectively, all deposits, advances and payments delivered by a Purchaser prior to the Closing of a Unit, including, without limitation, the Initial Deposit and Additional Deposit.

“Development Rights Owner” shall mean Sponsor or any Person which acquires all or any portion of the Excess Development Rights from Sponsor.

“Effective Date” shall mean the date upon which the Plan is declared effective.

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

“Excess Development Rights” shall mean certain rights, as determined by the Zoning Resolution of the City of New York (“Zoning Resolution”), that are available as of the date of the Declaration or may become available thereafter by any means, and are appurtenant to a zoning lot, whereby (a) contiguous tax lots may be merged into a single zoning lot (“Combined Zoning Lot”) and the Combined Zoning Lot or a portion thereof may be developed by erecting thereon one or more structures with (i) “floor area” (as such term is defined in the Zoning Resolution); (ii) any bulk and density development rights permitted under the Zoning Resolution, (iii) any so-called bonus redevelopment rights hereafter appurtenant to the Property; or (b) excess “floor area” not utilized by the Building as of the date of the Declaration may be utilized on the zoning lot or transferred to other zoning lots as permitted by the Zoning Resolution.

“Facilities” shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of one or more of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term “Facilities” shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, intercom equipment, playground equipment, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drainage systems, sewers and/or storm pipes, drywalls, or detention tanks, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, sheetrock, interior walls, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes, sockets, davits and rigs for window cleaning.

“Family Members” shall mean the spouse, domestic partner, their children, stepchildren, grandchildren, siblings, stepsiblings, aunts, uncles, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Residential Unit Owner who reside in such Residential Unit Owner’s Residential Unit.

“Filing Date” shall mean the date a letter is issued by the Department of Law accepting the Plan or an amendment to the Plan, as the case may be, for filing.

“First Annual Meeting” shall mean the first annual meeting of the Residential Unit Owners.

“First Closing” shall mean the Closing of Title with respect to the first Residential Unit to be conveyed to a Purchaser pursuant to the terms of the Plan.

“First Year of Condominium Operation” shall mean the first 12 months of operation of the Condominium beginning on the date of First Closing, which may be a calendar or fiscal year.

“First Year’s Budget” shall mean the Section of the Plan entitled “Schedule B - First Year’s Budget.” The First Year’s Budget is sometimes referred to as “Schedule B.”

“Floor Plans” shall mean the floor plans depicting the proposed layouts of the Units and the Parking Spaces that appear in Part II of the Plan.

“Force Majeure” shall mean unavoidable delays due to acts of God, weather, fire, flood, explosion, war, riot, sabotage, epidemics, quarantine, acts of terrorism, freight embargos, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, governmental restrictions, preemptions or approvals, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the control of Sponsor, however for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond control.

“GBL” shall mean Section 352-e of the New York State General Business Law, as amended from time to time.

“General Common Elements” shall mean those certain portions of the Property (other than the Units), as well as those Facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly

described in the Declaration and the Tax Lot Drawings except with respect to the Ancillary Amenities, which are available only for use by the licensee of the particular Ancillary Amenity.

“General Common Expenses” shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the General Common Elements; or (ii) the establishment and/or maintenance of a general operating reserve fund for working capital, for replacements with respect to the General Common Elements.

“Initial Deposit” shall mean a deposit in an amount equal to 10% of the Purchase Price required to be delivered by Purchaser at the time Purchaser signs and delivers the Purchase Agreement.

“Institutional Lender” shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust or a group of lenders, including mezzanine lenders, which shall include one of the foregoing, or (ii) a federal, state, municipal, teacher’s or union employee, welfare, pension or retirement fund or system, or (iii) Sponsor, or (iv) with respect to loans secured by Retail Unit only, (x) without in any way limiting the scope of the foregoing and for the sake of clarity, any real estate mortgage investment conduit within the meaning of Section 860D of the Internal Revenue Code, (y) any entity not included within any of the foregoing that is regularly engaged in the business of making, owning or servicing mortgage loans, including, without limitation, a so-called “conduit lender,” or (z) any group of lenders which shall include one or more of the foregoing.

“Institutional Mortgage” shall mean any Permitted Mortgage where the initial holder is either Sponsor or an Institutional Lender.

“Insurance Trustee” shall mean a bank or trust company, in either event having both an office in the City of New York and a capital surplus and undivided profits of \$500,000,000 or more, from time to time appointed to serve as such by the Condominium Board.

“Land” shall mean the land located in the Borough of Brooklyn on the Tax Map of the Division of Land Records of The City of New York as Block 186, Lot 1 and more particularly described in Exhibit A to the Declaration.

“Law” shall mean any of the following which are applicable at the time in question: laws, ordinances and codes of any or all of the Federal, New York State, New York City, County and Borough governments, including, without limitation, the Buildings Department, the Landmarks Preservation Commission, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public or quasi-public authorities having jurisdiction over the Property and/or the Condominium and/or the direction of any public officer pursuant to Law.

“Majority of Residential Unit Owners” shall mean Residential Unit Owners representing more than fifty percent (50%) in aggregate Residential Common Interest appurtenant to all Residential Units or Residential Unit Owners representing more than fifty percent (50%) in aggregate Residential Common Interests of only those Residential Unit Owners who are present, in person or by proxy, and voting at a duly constituted meeting of Residential Unit Owners at which a quorum is present.

“Majority of Unit Owners” shall mean (i) Unit Owners representing more than fifty percent (50%) in aggregate Common Interests appurtenant to all Units or (ii) Unit Owners representing more than fifty percent (50%) in aggregate Common Interests of only those Unit Owners who are present, in person or by proxy, and voting at a duly constituted meeting of Unit Owners at which a quorum is present.

“Managing Agent” shall mean the management company or manager named in the Plan or any successor managing agent at the time in question.

"Mortgage Representative" shall mean not more than three (3) representatives designated by the holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or the By-Laws.

"Retail Unit" shall mean any of the Retail Unit designated as such in the Declaration together with its Common Interest. All the Retail Unit are, collectively, referred to as the "Retail Unit."

"Retail Unit Owner" shall mean the Unit Owner of the Retail Unit at the time in question. All such Unit Owners are, collectively, referred to as the "Retail Unit Owner."

"Parking Space" shall mean any Parking Space located in the Parking Space Area. Each Parking Space is a Residential Common Element. Any reference in the Plan to "owning a Parking Space" means that the Residential Unit Owner has entered into a Parking Space License for the Parking Space.

"Parking Space Area" shall mean an attended area located in the ground floor of the Building containing the Parking Spaces. The Parking Space Area is a Residential Common Element.

"Parking Space License" shall mean the agreement pursuant to which a Parking Space is licensed to a Residential Unit Owner.

"Parking Space Licensee" shall mean any Residential Unit Owner who licenses a Parking Space at the time in question. All such Residential Unit Owners are, collectively, referred to as "Parking Space Licensees."

"PCO" shall mean the permanent certificate of occupancy for the Building issued by the Buildings Department.

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

"Permitted Mortgage" shall mean a first mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws.

"Permitted Mortgagee" shall mean any holder or guarantor of a Permitted Mortgage at the time in question.

"Permitted User" shall mean any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee, licensee, contractor, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor, the Condominium Board or a Unit Owner who has permission to use a Unit and/or a portion of the Common Elements, subject to the terms of the Condominium Documents, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Condominium Documents; or (iv) Sponsor.

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

"Plan" shall mean that certain Condominium Offering Plan relating to the Property, as accepted for filing by the Department of Law pursuant to the GBL and any and all amendments thereto.

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

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

“Property” shall mean the Land, the Building (and any structures attached thereto), the Units, all the improvements erected or to be erected on the Land, all easements, rights and appurtenances pertaining thereto and all other property, real, personal, or mixed, used or intended to be used in connection therewith.

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

“Purchaser” shall mean any Person named as a Purchaser in a Purchase Agreement which has been duly executed by such Person and accepted by Sponsor.

“Register’s Office” shall mean the Office of the Register of the City of New York, County of Kings.

“Residential Common Elements” shall mean those portions of the Common Elements either existing for the common use of the Residential Units or the Residential Unit Owners or necessary for, or convenient to, the existence, maintenance or safety of the Residential Units, as more particularly described in the Declaration and the Tax Lot Drawings, except with respect to the Parking Spaces, which are only available for use by the licensee of the particular Parking Space.

“Residential Common Expenses” shall mean all costs and expenses to be incurred generally by the Residential Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Residential Common Elements and/or the Residential Limited Common Elements; or (ii) the establishment and/or maintenance of an operating reserve fund for working capital, for replacements with respect to the Residential Common Elements and/or Residential Limited Common Elements.

“Residential Common Interest” shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interests are the basis for determining a Residential Unit Owner’s liability for such Unit Owner’s share of the Residential Common Expenses.

“Residential Limited Common Elements” shall mean those portions of the Property (other than the Units, the General Common Elements and the Residential Common Elements), existing for the use and enjoyment of certain Residential Unit Owners to the exclusion of all other Unit Owners, as more particularly described in the Declaration and the Tax Lot Drawings.

“Residential Unit” shall mean any of the Residential Units designated as a Residential Unit in the Declaration together with its Common Interest. All such Residential Units are, collectively, referred to as the “Residential Units.”

“Residential Unit Owner” shall mean any Unit Owner of a Residential Unit at the time in question. All such Residential Unit Owners are, collectively, referred to as the “Residential Unit Owners.”

“Residential Rules and Regulations” shall mean the Residential Rules and Regulations of the Condominium promulgated in accordance with the By-Laws, as any of such Rules and Regulations may be amended, added to, or deleted from time to time pursuant to the terms of the By-Laws.

"Sales Office" shall mean the sales office for Sponsor or Selling Agent, at a location to be designated by either Sponsor or Selling Agent from time to time.

"Schedule A" shall mean the Section of the Plan entitled "Schedule A - Purchase Prices and Related Information."

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

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

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

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

"Sponsor" shall mean 522-528 LLC and its successors and assigns as well as any other Person(s) designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

"Sponsor Control Period" shall mean the period ending on the earlier to occur of: (i) the fifth anniversary of the First Closing; (ii) the Closing of Title to all Units (including the Retail Unit); or (iii) the date on which Sponsor otherwise exercises its right to relinquish voting control of the Condominium Board.

"Tax Lot Drawings" shall mean the floor plans of the Units certified by a professional engineer or licensed architect and filed in the Register's Office simultaneously with the recording of the Declaration, as the same may be supplemented and/or amended from time to time.

"TCO" shall mean a temporary certificate of occupancy for the Building issued by the Buildings Department.

"Terrace" shall mean any terrace, balcony or garden which is appurtenant to a Residential Unit as a Residential Limited Common Element and shall include any pavers, decking and drains, hose bibs, electrical outlets, lighting and light fixtures, enclosures and dividers installed thereon. All such terraces, balconies or gardens are, collectively, referred to as the "Terraces."

"Title Company" shall mean New York Land Services: Commonwealth Land Title Insurance Company, having an office at 630 Third Avenue, 12th Floor, New York, New York 10017 (telephone: (212) 490-2277, facsimile: (212) 490-8012), or any successor Title Company at the time in question.

"Unit" shall mean any of the Units designated as a Unit in the Declaration together with its Common Interest. All such Units are, collectively, referred to as the "Units."

"Unit Owner" shall mean any Person (including Sponsor, if Sponsor owns any Unit) who holds fee title, of record, to one or more Units at the time in question. All such Unit Owners are, collectively, referred to as the "Unit Owners."

"Unit Owner Property" shall mean all appliances, equipment, flooring, fixtures, improvements, furniture, furnishings, decorations, belongings, and other personal property of any kind contained in a Unit, any Limited Common Elements appurtenant thereto, and any Parking Space.

"Unsold Residential Unit" shall mean any Residential Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a

principal of Sponsor at the time in question. All such Unsold Residential Units are, collectively, referred to as the “Unsold Residential Units.”

“Unsold Residential Unit Owner” shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

“Unsold Parking Space” shall mean a Parking Space owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a principal of Sponsor at the time in question. All such Unsold Parking Spaces are, collectively, referred to as the “Unsold Parking Spaces.”

“Unsold Unit” shall mean a Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained by Sponsor or a principal of Sponsor at the time in question. All such Unsold Units are, collectively, referred to as the “Unsold Units.”

“Unsold Unit Owner” shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

“Zoning Resolution” shall mean the Zoning Resolution of the City of New York, as amended from time to time, or replacement rule, regulation or resolution pertaining to development of a zoning lot.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The following is a general description of the Property as well as certain facilities and services to be provided at the Condominium. For a more detailed description of the Property, see the "Description of Property and Improvements" contained in Part II of the Plan.

Location

The Property is located at 509 Pacific Street in the Borough of Brooklyn, County of Kings, City and State of New York.

Improvements - General Description of Units

The Condominium will consist of Residential Units, Retail Unit and Parking Spaces located within a structure comprising six (6) above-grade construction stories, one (1) below-grade level, and one (1) roof level. Marketing floors are numbered 1 through 7, with no 2nd floor designation. Unless specifically provided otherwise, all references to floors and unit designations in the Plan will be consistent with the marketing floor and unit numbering system.

There will also be various amenities for the benefit of the Residential Unit Owners, including a common second floor terrace, a fitness center, a children's play room, and various utility and service areas located throughout the Building. (See the subsection entitled "Services and Facilities" for details.)

Purchasers should refer to the Description of Property and Improvements contained in Part II of the Plan for more details.

Residential Units

There will be 33 Residential Units located on floors 3-7, the square footages of which are set forth on Schedule A. Purchasers are urged to consult the Floor Plans and Description of Property and Improvements contained in Part II of the Plan for details regarding the Residential Units.

While Sponsor is offering Residential Units 3B, 4B, 3E, 4E, and 5D as three-bedroom units, the Floor Plans additionally include alternative floor plans for these Residential Units with four-bedroom designs ("Alternative Floor Plans"). Upon the request of Purchaser, Sponsor may, in its sole discretion, elect to deliver the Residential Unit in accordance with the Alternative Floor Plan instead of the original three-bedroom layout. Any extra costs and expenses associated with constructing the Residential Unit in accordance with the Alternative Floor Plan shall be at the sole cost and expense of Purchaser. Any Residential Unit constructed pursuant to an Alternative Unit Floor Plan will contain the same square footage and Offering Price as set forth on the Schedule A.

Retail Unit

The Condominium will contain a Retail Unit located on portions of the cellar and ground floor, the square footages of which are set forth on Schedule A. Purchasers should refer to the Section of the Plan entitled "Retail Unit" for a detailed description of the Retail Unit.

Parking Spaces

Parking Spaces will be located in the Parking Space Area of the Building, shown on the Floor Plans set forth in Part II of the Plan. The approximate square footages (within reasonable tolerances) and Purchase Prices of the Parking Spaces are set forth on Schedule A. A Parking Space License will not be attributable to

any particular Parking Space, but will rather entitle such Licensee the right to park one vehicle in any available Parking Space in the Parking Space Area.

A Parking Space may be used only for the parking of passenger automobiles and motorcycles. No representation is made as to the type or size of vehicles that can be accommodated in any particular Parking Space. Notwithstanding anything to the contrary, Sponsor may, without the consent of either the Condominium Board or the Unit Owners, use any Unsold Parking Space for any purpose permitted by Law or to change the permitted use of an Unsold Parking Space, subject to the provisions of the By-Laws. Except for Sponsor and the Condominium Board, a Parking Space may not be licensed independently of a Residential Unit.

A Parking Space may not be used for sleeping, dining or other occupancy uses (collectively, "Prohibited Uses"). The use of a Parking Space for a Prohibited Use can result in violations being posted against the Building. Any and all costs or expenses incurred by the Condominium or the other Unit Owners as a result of such Prohibited Use shall be borne by the Residential Unit Owner of the Unit to which such Parking Space is appurtenant.

Although the Parking Space Area is a Residential Common Element, the Condominium Board has granted Sponsor the exclusive right, without charge, to sell Parking Spaces located therein and retain all proceeds of such sale. The Condominium will not be entitled to any of the proceeds from the sale of the Parking Spaces.

Based upon market conditions, until such time as Sponsor has entered into a Purchase Agreement with respect to the sale of a Parking Space, Sponsor reserves the right to withdraw the offering of any particular Parking Space and/or to reduce the number of Parking Spaces offered. After such time that Sponsor has entered into a Purchase Agreement with respect to the sale of a Parking Space, Sponsor may withdraw or reduce the offering of any Parking Spaces but only to the extent that such withdrawal or reduction does not affect any Parking Spaces already under contract. If, subject to the foregoing limitations, Sponsor elects to withdraw or reduce the offering of any Parking Spaces, then such withdrawal or reduction shall be disclosed by Sponsor in an amendment to the Plan, and Sponsor shall have the right to utilize the Parking Space Area for any use as determined by Sponsor in its sole discretion. Furthermore, in the event of such withdrawal or reduction, with respect only to Purchasers (i) who have not entered into Purchase Agreements for Parking Spaces and (ii) who have entered into Purchase Agreements for Parking Spaces unaffected by the withdrawal or reduction, such Purchasers shall not be relieved of any of their obligations under their respective Purchase Agreements as a result of such withdrawal or reduction, including, without limitation, the obligation to purchase the Residential Unit.

The Parking Spaces and the Parking Space Area will not be serviced by an emergency generator. In the event of a power outage, any resulting loss or damage will be at the sole cost of the Parking Space Licensee. The Condominium Board, its agents and employees, and Sponsor shall not be liable for any loss or damage caused by power outages, temperature fluctuations or other causes in the Parking Space Area.

Purchasers should not purchase a Unit in reliance on the use or availability of any Parking Space and Sponsor does not make any representation of the availability of any particular Parking Space.

Construction Data for Units and Common Elements

Sponsor has engaged Beyer Blinder Belle as architect of record, GACE as structural engineer and ICOR Associates as mechanical engineer. The Plans and Specifications have been prepared by such architects and engineers. (See the Section of the Plan entitled "Identity of Parties" for further detail.)

The construction of the Building will be completed in accordance with the Plans and Specifications, and applicable Law. However, Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other

construction details) and substitute in place of any materials, appliances, equipment and fixtures set forth in the "Description of Property and Improvements," items of substantially Equal or Better Quality, provided, however: (i) any material change shall be set forth in an amendment to the Plan; (ii) any necessary approval of any governmental authority having jurisdiction is first obtained; and (iii) no such amendments, modifications or substitutions may be made if the same would materially and adversely affect any binding Purchase Agreement unless the same is dictated by construction conditions at the Property, and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchaser(s), offer the affected Purchaser(s) the right, for 15 days, to rescind their Purchase Agreement(s) and receive a refund of their Deposits, together with all interest earned thereon.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about December 1, 2017. Purchasers will not be excused from paying their full Purchase Prices (without credit or set-off), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier or later than the projected date or the time to complete or to close title to any Residential Unit is delayed or postponed by Sponsor. Sponsor has the right to change the projected First Year of Condominium Operation from time to time by an amendment to the Plan. If the First Closing does not occur within 12 months after the date set forth in Schedule B for the First Year of Condominium Operation in effect on the date a Purchaser and Sponsor entered into a Purchase Agreement, Sponsor will offer those affected Purchasers only a right to rescind their Purchase Agreement for 15 days from the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission will have their Deposits returned together with any interest earned thereon. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

Services and Facilities

The services and facilities described below will be provided to Residential Unit Owners and are included in the Common Charges, unless otherwise specified below.

(a) **Residential Lobby**

There will be a residential lobby located on the first floor of the Building for the use and enjoyment of the Residential Unit Owners. The residential lobby will contain furniture, furnishings, and a front desk reception area.

(b) **Residential Lobby Attendants**

A part-time doorman will be stationed in the residential lobby.

(c) **Building Staff**

The staff of the Condominium will be supervised by a non-resident building manager. Purchasers should refer to the Footnotes to Schedule B for a complete description of the Building staff.

(d) **Residential Elevator Service**

ONLINE FILING RECEIPT

ENTITY NAME: 522-528 LLC

DOCUMENT TYPE: ARTICLES OF ORGANIZATION (DOM. LLC)

COUNTY: KING

FILED:06/30/2014 DURATION:***** CASH#:140630010045 FILE#:140630010045
DOS ID:4599640

FILER:

EXIST DATE

FILE RIGHT LLC
5314 16TH AVENUE
SUITE 139
BROOKLYN, NY 11204

06/30/2014

ADDRESS FOR PROCESS:

THE LIMITED LIABILITY COMPANY
505 FLUSHING AVENUE, UNIT 1D
BROOKLYN, NY 11205

REGISTERED AGENT:



The limited liability company is required to file a Biennial Statement with the Department of State every two years pursuant to Limited Liability Company Law Section 301. Notification that the Biennial Statement is due will only be made via email. Please go to www.email.ebiennial.dos.ny.gov to provide an email address to receive an email notification when the Biennial Statement is due.

SERVICE COMPANY: FILE RIGHT LLC-DH
SERVICE CODE: DH

FEE:	205.00	PAYMENTS	205.00
FILING:	200.00	CHARGE	0.00
TAX:	0.00	DRAWDOWN	205.00
PLAIN COPY:	5.00		
CERT COPY:	0.00		
CERT OF EXIST:	0.00		

DOS-1025 (04/2007)

2014962

Authentication Number: 1406300045 To verify the authenticity of this document you may access the Division of Corporation's Document Authentication Website at <http://ecorp.dos.ny.gov>

**ARTICLES OF ORGANIZATION
OF
522-528 LLC**

Under Section 203 of the Limited Liability Company Law

FIRST: The name of the limited liability company is:

522-528 LLC

SECOND: The county, within this state, in which the office of the limited liability company is to be located is **KINGS**.

THIRD: The Secretary of State is designated as agent of the limited liability company upon whom process against it may be served. The address within or without this state to which the Secretary of State shall mail a copy of any process against the limited liability company served upon him or her is:

THE LIMITED LIABILITY COMPANY
505 FLUSHING AVENUE, UNIT 1D
BROOKLYN, NY 11205

I certify that I have read the above statements, I am authorized to sign these Articles of Organization, that the above statements are true and correct to the best of my knowledge and belief and that my signature typed below constitutes my signature.

MARK FUCHS, AUTHORIZED PERSON (signature)

FILE RIGHT LLC , ORGANIZER

Filed by:
FILE RIGHT LLC
5314 16TH AVENUE
SUITE 139
BROOKLYN, NY 11204

**FILE RIGHT LLC (DH)
DRAWDOWN
CUSTOMER REF# 2014962**

**FILED WITH THE NYS DEPARTMENT OF STATE ON: 06/30/2014
FILE NUMBER: 140630010045; DOS ID: 4599640**

ENERGY SAVING IDEAS

Conserve Energy. Save Money. Protect the Environment.

What can you do to lower your electric bill? Quadlogic has put together the following guidelines to help you conserve energy and lower your electric bill. This information was collected from various sources*, and is intended to show you how easy it can be to make a few changes that won't have a big impact on your lifestyle but *will* have a big impact on your electric bill.

LIGHTING

- ❖ Replace ordinary light switches with dimmers. Dimmers let you set bulb brightness to suit different needs. Whenever lights are set at less than full brightness, you save energy.
- ❖ Replace ordinary incandescent bulbs with new compact fluorescent bulbs. Compact fluorescent bulbs give the same light levels as the ordinary bulbs they replace, but use 40-60% less energy.
- ❖ Use timers to turn off lights when you're away from home. That saves energy and adds security to your home.
- ❖ Use lower wattage bulbs whenever you can. Wattage isn't a measure of brightness, it's a measure of energy usage. The lower the wattage, the less energy used.
- ❖ Replace ordinary switches with motion sensors. Motion sensors monitor a room for the presence of people. When someone enters the room, lights go on automatically so you don't light an unoccupied room.

APPLIANCES

- ❖ Choose Energy Star appliances, which use considerably less energy than other appliances.
- ❖ Use your refrigerator as efficiently as possible by keeping the condenser coils clean.
- ❖ Use washers, dryers and dishwashers efficiently. Every time these appliances go through a cycle, they use very nearly the same amount of energy whether empty or full. So cleaning with full loads makes for best efficiency and best value on your energy dollars.
- ❖ Switch off the "instant on" feature in electronic devices. Many electronic products have an "instant on" circuit that uses energy continuously, even when the device is turned off. On some electronic devices, you can choose to turn it off.

COMPUTER & HOME OFFICE EQUIPMENT

- ❖ Turn your computer off when it is not in use. Much of the energy use associated with computer is wasted because PC's are often left on when not in use, including nights, weekends, and even extended periods of inactivity during the day.

- ❖ Turn off your display device or monitor. Monitors consume a significant portion of the energy used by PC's.
- ❖ Use a laptop. A typical laptop computer has a maximum power consumption of 15 watts, and extensive power management capabilities. A typical desktop PC, with display consumes about 10 times that or 150 watts, and has limited power management features. The potential energy savings from substituting PC's with portable laptops are large, up to 90% or more.
- ❖ Select a printer with power management capabilities. Printers with automatic "power down" features can reduce electricity use by over 65%.
- ❖ Select a fax machine with power management capabilities. Fax machines are generally turned on 24 hours-a-day to receive incoming faxes. However, they are typically in use for only 5% of the total time they are turned on. Fax machines with power management features can reduce energy costs by almost 50%.

AVERAGE ANNUAL ENERGY CONSUMPTION			
Equipment	Conventional Products	Energy Saving Products	Potential Energy Savings
Desktop PC's	500 kWh	250 kWh	50%
Fax Machines	300 kWh	135 kWh	55%
Laser Printers	750 kWh	270 kWh	65%
Copier (Medium)	1200 kWh	535 kWh	55%
Copier (Large)	2800 kWh	1200 kWh	55%

You may find "Energy Star" appliances at your local retail stores.

USEFUL LINKS

www.sears.com
www.circuitcity.com
www.bestbuy.com
www.perichard.com
www.allcityappliance.com

OTHER HELPFUL HINTS

- ❖ Stop drafts coming in near doors, windows, or air conditioners. Drafts make the heating and cooling systems work harder therefore costing you more money.
- ❖ Stop leaks at faucets, toilets, tubs, and showers. If the leak is from hot-water faucets, it wastes the energy from your hot water heater and costing you more money.

* Sources: Con Edison, LIPA, Orange and Rockland, NYSEDA, Niagra Mohawk, Southern California Edison.

DIVISION 16 ELECTRICAL SPECIFICATIONS

ELECTRIC SUBMETERING

Available in MS Word format:
www.quadlogic.com
Click "Support" then
Submetering Specifications

PART 1 – GENERAL

1.01 DESCRIPTION

- A. Provide electric submetering to meter electric consumption for each tenant in accordance with the Contract Documents.

1.02 ELECTRONIC POWER METERING

- A. Provide electronic power metering where indicated complying with all requirements below. Meter(s) shall be Quadlogic Controls Corp. or approved equal.
- B. The meters shall be manually readable using local Liquid Crystal Display (LCD) via push-button and automatically readable utilizing Frequency Hopping Spread Spectrum Power Line Carrier Communication ("PLC").
- C. The metering system shall consist of the Quadlogic, MiniCloset-5N, & Transponder(s) or equal.
- D. Meter shall be configured for [residential] [commercial] application and applied on [120/240V] [120/208V] [277/480V] [347/600V] [480V delta 3P3W] [600V delta 3P3W] nominal systems or as indicated on the drawings.

1. Residential Use (kWh):

- a. 120/208V single phase, 3 wire (2 pole)
b. 120/240V split phase, 3 wire

2. Commercial/Industrial Use (kWh and Demand):

- a. 120/208V, 277/480V and 347/600V, 3 phase/4 wire
b. 480V and 600V Delta, 3 phase/3 wire

- E. **NOTE TO SPECIFIER: DELETE FOLLOWING PARAGRAPH IF METER IS CONFIGURED FOR RESIDENTIAL APPLICATION.** [kW Demand shall be measured and recorded every [15] minutes. (Demand is factory configured in block intervals. Rolling (overlapping) time interval demand shall also be configurable as an option.) Demand shall be recorded along with the time and date at which it occurs. The meter shall be classed as a mass memory interval meter (meters which record and store the energy use by time). The demand interval and optional time-of-use schedules shall be factory programmed and stored in each meter. Daily peak demands shall be capable of being read by a remote computer.]

- F. **NOTE TO SPECIFIER: DELETE FOLLOWING PARAGRAPH IF METER IS CONFIGURED FOR COMMERCIAL APPLICATION.** [kW Demand shall be measured and recorded every [60] minutes. (Demand is factory configured in block intervals. Rolling (overlapping) time interval demand shall also be configurable as an option.) Demand shall be recorded along with the time and date at which it occurs. The meter shall be classed as a mass memory interval meter (meters which record and store the energy use by time). The demand interval and optional time-of-use schedules shall be factory programmed and stored in each meter. Daily peak demands shall be capable of being read by a remote computer.]

DIVISION 16 ELECTRICAL SPECIFICATIONS

- G. The Meter shall have the following Testing and Certification:
1. UL/CUL recognized
 2. Meets or exceeds requirements of ANSI C12.1, ANSI/IEEE C37.90.2, ANSI/IEEE C37.90.1, and Measurement Canada.
- H. Each meter shall interface to the electrical load being measured with a direct voltage tap, up to 600 VAC, and with 0.1Amp or 5.0A secondary for split and solid core current transformers.
- I. Monitoring
1. Provide true RMS measurement of current, volts, %THD, kW, kVA, kVAR, kWh, power factor.
 2. The Meter shall have an accuracy of $\pm 0.5\%$ or better.
- J. User Interface
1. Reading shall be accessible on a local LCD display. The display shall consist of two rows of 16 characters on each row. The consumption reading shall be up to six (6) digits.
 2. Provide an IEC type optical port capable of direct connection to a laptop.
- K. The system shall be a fully automated, microprocessor-based electric utility measurement system. The system shall be capable of measuring and recording the usage of electricity and shall be capable of communicating the reading to an optional on-site or remote computer (i.e. the billing computer) via modem or other means of communications.
- L. The meter shall not depend on battery power for maintaining functionality. Meter shall monitor all metering parameters and perform communication tasks using a non-volatile flash memory. On-board battery shall only be used in power failure to maintain time, log incoming pulses (if applicable) and to store the data acquired within the incomplete interval at the time of the power failure.
- M. Each meter shall be capable of reading minimum of four (4) dry contact, Form A pulse inputs to automate the reading of other utilities such as gas, water or BTU's. MiniCloset-5 and MiniCloset-5c shall be capable of reading up to 48 pulses.
- N. Each meter shall be equipped with a clock/calendar that automatically accommodates leap years. The clock/calendar shall be backed up by battery and continue operating during power outages. The time and date shall be automatically synchronized by the Scan Transponder(s) and capable of being reset by a remote computer.
- O. Each meter shall be complete with internal CT termination and shorting and fuse block <where applicable>.
- P. Revenue related metering parameters (i.e. demand intervals) shall be permanent and stored in each individual meter. It shall not be possible to change metering parameters through unauthorized access to the system.
- Q. Provide Phase Diagnostic Registers that include multipliers for amperage, voltage, watts, and line frequency. On a per-phase basis Phase Diagnostics shall include voltage, VAR phase shift, accumulated kWh and kVARh and instantaneous amps, watts, VAR's, VA's, phase angle (degrees displacement between current and voltage waveforms), and Power Factor.

DIVISION 16 ELECTRICAL SPECIFICATIONS

- R. Provide Event Diagnostic Registers that include time and date and the number of times the time has been changed, number of power downs, power ups and start ups with time and date of last occurrence, and the number of times the accumulated peak demand has been reset, also with the time and date of the last occurrence. Meters that communicate by Power Line Carrier Communications shall also include counts of properly received messages, rejected messages and the numbers of transmissions without replay.
- S. On-board Memory Storage
 - 1. The meter shall maintain a minimum of 60-day log of daily Time-of-Use consumption, interval data and peak demand readings along with the time and date at which the daily peak demands occur. The consumptions recorded shall be the reading at the end of the Time-of-Use period of the end of the day. The peak demand recorded in the log shall be the peak demand for the Time-of-Use period for that day.
 - 2. Each meter shall maintain a minimum of 60-day date logging capacity consisting of fifteen (15) minute or hourly demands with time and date stamp.
 - 3. Memory shall be non-volatile.
- T. Control power for the meter shall be obtained via the monitored voltage connections. A separate control power input is not allowed.
- U. Communications Interface
 - 1. Where indicated in the drawings, the system shall communicate with a remote computer using one or more of the methods noted below. Preferred method communications method shall be Power Line Carrier Communications.
 - a. The meter shall communicate over the electrical power wiring to a Scan Transponder via bi-directional, frequency hopping, spread spectrum power line carrier communications. These signals shall be capable of passing through a single 600/120V or 480/120V transformer. The Scan Transponder and each meter shall select the best available combination of phase, frequency range and baud rate for communication at any given time.
 - b. RS-485. Install per manufacture's guidelines and recommended wire specification.
 - 2. All meters shall have as an option a local RS-485 serial port for direct connection to the PC.
 - 3. Individual meters shall be capable of being equipped with a modem for direct connection to a telephone line if necessary.

1.03 SCAN TRANSPONDER

- A. Scan Transponders shall be installed to collect data from meters on a daily basis and provide a centralized data access point.
- B. All communication shall be direct between a Scan Transponder and each meter, and under the control of the Scan Transponder. Meters will not repeat messages from other meters nor will message routing be determined by meters.
- C. A Scan Transponder shall be provided for every 240 electric metering points and one Scan Transponder shall be provided per utility transformer or electrical service.

DIVISION 16 ELECTRICAL SPECIFICATIONS

Contractor shall provide required location, quantities and voltage connections for Transponders based on manufacture's specifications and instructions.

- D. Scan Transponder shall begin each communication with a meter with verification of clock and meter ID to ensure date integrity.
- E. The Scan Transponder shall store downloaded meter values in flash memory and shall hold at least 30 days worth of records.
- F. All communication shall be direct between a Scan Transponder and each meter, and under the control of the Scan Transponder.
- G. Multiple Scan Transponders shall be connected by Data Link (RS-485).
- H. Where indicated on manufacturer's shop drawings, meter shall be connected to the Scan Transponder by Data Link (RS-485).
- I. Where indicated on manufacturer's shop drawings, provide a modem on a Scan Transponder for phone line connection to remote computer.
- J. Scan Transponder locations shall be approved by manufacture and installed per manufactures' guidelines. Upon request, manufacture shall provide a project specific design for Scan Transponder system.
- K. Owner shall provide a dedicated telephone line for remote access to the Transponder.

1.04 SOFTWARE

- A. Quadlogic's IQ software or comparable system shall be capable of reading the system, downloading the metered data, and generating energy bills for electricity. (System must also be capable of compiling data from other utility meters such as BTU, gas, water and steam.)
- B. Quadlogic's IQ software or comparable system shall be capable of producing graphs and charts for load profiling including intervals ranging from 5 through 60 minute time periods.
- C. Data collected through IQ software or comparable must be able to be uploaded to spreadsheet programs for analysis such as Microsoft Excel.

PART 2 – EXECUTION

2.01 INSTALLATION

- A. A circuit breaker shall be provided at the metering location to allow safe access to metering components without powering down the entire panel. Where utilized, S-20 200A meters require tenant disconnect to be on the line side of the electric meter.
- B. All meters shall be installed to manufacture's installation instructions.

2.02 SYSTEM COMISSIONING AND START-UP

- A. Contractor to provide third party testing of power metering system or "commissioning".

DIVISION 16 ELECTRICAL SPECIFICATIONS

The owner's submetering service company or manufacturer's qualified service organization can provide third party testing. Testing shall be performed prior to tenant occupancy through the following process:

1. Have the installation contractor record the "cross reference" or the meter serial number (unique ID), meter point, to apartment/unit relationship.
2. Check for power to the meter.
3. Check the serial number inside the meter.
4. Open the panel so that all CT's are visible.
5. Verify the CT ratio and write up the cross reference information for the meter.

NOTE TO SPECIFIER: ITEMS 6-8 BELOW APPLY TO RESIDENTIAL APPLICATIONS ONLY. DELETE IF METER/SYSTEM IS CONFIGURED FOR A COMMERCIAL APPLICATION.

6. Confirm the "cross reference". This can be accomplished by having one technician turn on a known load in the respective unit on each phase (hair dryer, electric heater, electric stove, etc)
7. Have a second technician at the meter verify the meter's phase diagnostics for the assigned apartments/units. Confirm that there is a significant increase on the load for each phase of the meter point.
8. Once all phases have been checked and loads are still running, turn off the breaker serving the apartment and confirm that all loads in the apartment are disconnected. This completes the verification of the cross-reference list.

B. Test Results:

1. Submit two draft copies of test results to the Owner for review.
2. After approval by the Owner, submit the test results in two final printed copies and one computer readable copy.

C. Third party testing shall include testing of Power Line Carrier Communications between power meters and Transponders referred to as "start up".

1. Testing shall confirm that all power meters included in cross reference are properly communicating with the Transponders.
2. Testing shall confirm that remote connection system via phone line is complete.
3. Testing shall confirm that all Transponders on the RS-485 network are communicating properly.

END OF SECTION

Quadlogic Controls Corporation
33-00 Northern Blvd.
Long Island City, New York 11101



Invoice Number:	Bill Date
8859583	04/11/17
	Amount Due
	\$139.81
Security Code	
Building/Unit	Amount Paid

Make Payments To:

Charges for		Security Code	Service Address		
			14 East 75th Street unit#		
Utility	Meter #	PreviousRead	CurrentRead	Multiplier	Usage
Electricity Service		11,473.887	12,025.555	1	551.668 - KWH

Electric Charges:	Start Date	End Date	Service Days	
Customer Charge	03/01/17	03/31/17	31	\$16.29
kWh Cost	03/01/17	03/31/17	31	\$101.37
Fuel Adjust	03/01/17	03/31/17	31	\$10.79
Utility Tax	03/01/17	03/31/17	31	\$5.34
Sales Tax	03/01/17	03/31/17	31	\$6.02
Electric Charges Balance:				\$139.81
Current Invoice balance				\$139.81

NOTIFICATION OF RIGHTS AND PROCEDURES

As a residential customer for electricity, you have certain rights assured by New York's Home Energy Fair Practices Act ("HEFPA"). This notification is an overview of those rights and certain policies and procedures regarding the service and billing of your electricity. A copy of this notification of rights and procedures will be available in the management office for your convenience. For a full explanation of HEFPA, you can go to the Department of Public Service's website at www.dps.ny.gov, or you may review a copy of the regulations in the property manager's office.

The building at **509 Pacific Street, Brooklyn, NY 11217** will be a submetered facility. **522-528 LLC** is the owner of this building. The administration of submetering will be performed by an outside vendor, Quadlogic Controls Corporation ("Quadlogic"), located at 33-00 Northern Blvd., Long Island City, NY 11101. Quadlogic is a third-party agent under contract with **509 Pacific Street, Brooklyn, NY 11217** to invoice/bill tenants for their monthly utility usage. Tenants will receive monthly bills from Quadlogic for their respective electric usage, (meters are read daily) which amounts are payable to **FirstService Residential 622 Third Avenue 15th Fl., New York, NY 10017**. Management could also be contacted at **212-634-8911**.

When a unit owner has a question about electric bill or believes the electric bill is inaccurate, the following protocol will be followed:

Unit owner should submit the complaint to the property manager of the Building, including the action or relief requested and/or the reason for a complaint about a submetering charge. The property manager shall investigate and respond to the complaint in writing within 15 days of the receipt of the complaint. **The Property Management First Service Residential can be contacted at 622 Third Avenue, 15th Floor, New York, NY 10017. The Property Manager; Marc Kotler can be contacted via email at marc.kotler@fsresidential.com or by telephone number 212-634-5420.** If the unit owner and the property manager cannot reach an equitable agreement and the unit owner continues to believe the complaint has not been adequately addressed, then the unit owner may file a complaint with the Public Service Commission through the Department of Public Service. Alternatively, unit owner may contact the Department of Public Service at any time concerning submetered service in writing at New York State Department of Public Service, 3 Empire State Plaza, Albany, New York 12223, by telephone at 1-800-342-3377, in person at the nearest office at 90 Church Street, New York, New York 10007, or via the Internet at www.dps.ny.gov

The electric bills that you receive show the amount of kilowatt hours ("kWh") that you used. The bills you receive shall provide, in clear and understandable form and language, the charges for service. In no event will the total monthly charges (including any administrative charges) exceed the utility's (Consolidated Edison Company of New York, Inc.) direct metered residential rate.

You have the right to request messages on bills and notices in Spanish. To make

such a request, contact a representative by telephone at **(212-634-8911)** or by mail at c/o **FirstService Residential 622 Third Avenue 15th Fl., New York, NY 10017**. Usted tiene el derecho de solicitar informacion en facturas e informativos en Espanol. Para solicitar informacion en Espanol, por favor contacte a un representante marcando el telefono **212-634-8911** o por correo escrito a la siguiente direccion: c/o **FirstService Residential 622 Third Avenue 15th Fl., New York, NY 10017**.

You may request balanced billing for the payment of electric charges. This plan shall be designed to reduce fluctuations in customers' bills due to seasonal patterns of consumption. Balanced billing divides your electric costs into twelve (12) equal monthly payments. Periodically, **509 Pacific Street, Brooklyn, NY 11217** will review and adjust the balanced billing amount as necessary. At the end of one (1) year, you shall be responsible to pay for any electric costs in excess of your balanced billing amount paid. You may contact **509 Pacific Street, Brooklyn, NY 11217** to discuss the details of this plan, if you are interested.

Your meter is read because it measures and records the actual amount of electric you use; this enables an accurate bill to be sent to you. Making sure your electric bills are accurate and correct is important to **509 Pacific Street, Brooklyn, NY 11217** and to you. That is why every effort is made to read your meter regularly.

You may qualify for a rate reduction the equivalent of that which is provided by Con Edison to customers who are enrolled in its low-income program pursuant to its tariff (see P.S.C. No. 9 – Electricity, Thirtieth Revised Leaf No. 202). If you receive benefits under Supplemental Security Income, Temporary Assistance to Needy Persons/Families, Safety Net Assistance, or Food Stamps, or have received a Home Energy Assistance Program grant in the preceding twelve (12) months, please alert a **509 Pacific Street, Brooklyn, NY 11217** representative by phone or in writing and he/she will work with you.

If you are having difficulty paying your electric bill, please contact us by telephone or by letter in order to arrange for a deferred payment agreement, whereby you may be able to pay the balance owed over a period of time. A deferred payment agreement is a written agreement for the payment of outstanding charges over a specific period of time, signed by both the submeterer and customer. If you can show financial need, **509 Pacific Street, NY 11217** can work with you to determine the length of the agreement and the amount of each monthly payment. You may not have to make a down payment, and installment payments may be as little as \$10.00 per month. **509 Pacific Street, Brooklyn, NY 11217** will make reasonable efforts to help you find a way to pay your bill.

Regardless of your payment history relating to your electric bills, your electric service will be continued if your health or safety is threatened. When **509 Pacific Street, Brooklyn, NY 11217** becomes aware of such hardship, **509 Pacific Street, Brooklyn, NY 11217** can refer you to the Department of Social Services. Please notify **509 Pacific Street, Brooklyn, NY 11217** if the following conditions exist:

- (a) **Medical Emergencies.** You must provide a medical certificate from your doctor or local board of health; or
- (b) **Life Support Equipment.** If you have life support equipment and a medical certificate.

Special protections may be available if you and/or those living with you are age eighteen (18) or younger or sixty-two (62) and older, blind, or disabled.

To ensure that you receive all of the protections that you are eligible for, please contact a **509 Pacific Street, Brooklyn, NY 11217** representative and identify yourself.

You can also designate a third party as an additional contact to receive notices of past due balances.

Every submeterer shall permit a residential customer to designate a third party to receive all notifications relating to disconnection of service or other credit actions sent to such residential customer, provided that the designated third party agrees in writing to receive such notices. The submeterer shall inform the third party that the authorization to receive such notices does not constitute acceptance of any liability on the third party for service provided to the customer. The submeterer shall promptly notify the residential customer of the refusal or cancellation of such authorization by the third party. If you are interested in Voluntary Third-Party Notice, notify **509 Pacific Street, Brooklyn, NY 11217** with the party's contact information and written agreement of the third party to receive copies of all notifications relating to disconnection of service or other credit actions sent to you.

Please review the attached "Special Protections Registration Form" relating to some of the rights discussed above. Although you are not required to do so, it is requested that you please fill it out if you qualify for any special protection described on the form. You may return the completed form to **509 Pacific Street, Brooklyn, NY 11217** at the address above.

Past Due Reminder Notice

RESIDENT(S) NAME(S): _____

ADDRESS: _____

ACCOUNT NO.: _____

On **MM/DD/YYYY**, you signed a Residential Deferred Payment Agreement (DPA), which obligated you to make a down payment of **\$XX.XX** by **MM/DD/YYYY** and regular payments of **\$XX.XX** (in addition to your current electricity charges) in order to avoid termination of electricity service. Our records indicate that you have failed to comply with the terms of the DPA. As a result, we are hereby notifying you that you must meet the terms of the existing DPA by making the necessary payment within twenty (20) calendar days of the date payment was due or a final termination notice may be issued to terminate your electricity service.

If you are unable to make payment under the terms of the DPA because your financial circumstances have changed significantly due to events beyond your control, you should immediately contact **FirstService Residential 622 Third Avenue 15th Fl., New York, NY 10017** because a new payment agreement may be available. Further, assistance to pay utility bills may be available to recipients of public assistance or supplemental security income from your local social services office.

The total amount owed to FirstService Residential for this account as of MM/DD/YYYY is: \$XX.XX.

BUDGET BILLING PLAN

Resident(s) Name(s): _____

Address: _____

Account No.: _____

As set forth below, **FirstService Residential, 622 Third Avenue, 15th Fl., New York, NY 10017 (509 Pacific Street, Brooklyn, NY 11217)** agrees to provide services in return for your agreement to make payments according to the terms of this Budget Billing Plan (the "Plan").

The Plan requires that you pay **\$XX.XX** per month for the 12-month period starting with the billing cycle commencing on **MM/DD/YYYY** and ending on **MM/DD/YYYY**.

This monthly payment is based on an estimate of your annual billing, which has been calculated by multiplying the average monthly consumption by the current estimate of commodity prices over the above-referenced 12-month period. Your average monthly consumption is _____ kWh, based on your or the premises' last 12 months of actual consumption.

The Plan shall be subject to regular review for conformity with actual billing. **509 Pacific Street, Brooklyn, NY 11217** reserves the right to recalculate the monthly payment to reflect either (a) an increase in consumption beyond the average monthly consumption, and/or (b) an increase in commodity prices.

Each month, you will be billed the equal monthly payment and you will be required to pay that amount. Your bill will inform you what your consumption for the period was, as well as the actual charge you would have incurred if you were not on the Plan. If you fail to pay the bill when due, you may be subject to a final termination notice pursuant to the Home Energy Fair Practices Act or other collection remedies.

In the last month of the Plan, **509 Pacific Street, Brooklyn, NY 11217** Street shall true up your account based on a comparison of the billing under the Plan and the amount you would have been charged for the 12-month period if you were not on the Plan. If you owe **509 Pacific Street, Brooklyn, NY 11217** Street a sum of money due to the true up, you will be billed for the amount due. If you have been over billed, you will be issued a credit to be applied to the next plan year.

[] Yes! I would like budget billing and agree to the terms of the Plan.

Acceptance of Agreement:

Resident(s) Signature(s): _____

Date: _____

FirstService Residential: _____

Date: _____

Return one signed copy to 509 Pacific Street by MM/DD/YYYY.

Residential Payment Agreement

Resident(s) Name(s): _____

Address: _____

Account No.: _____

The total amount owed to **FirstService Residential, 622 Third Avenue, 15th floor, New York, NY 10017** on this account as of **MM/DD/YYYY** is **\$XX.XX**.

Subject to 16 NYCRR § 11.10 (a-b) of the Home Energy Fair Practices Act ("HEFPA"), **FirstService Residential, 622 Third Avenue, 15th floor, New York, NY 10017** is required to offer a payment agreement that you are able to pay considering your financial circumstances. **This agreement should not be signed if you are unable to keep the terms.** Alternate terms may be available if you can demonstrate financial need. Alternate terms may include no down payment and payments as low as \$10 per month above your current bills. **If you sign and return this form, along with a down payment of \$XX.XX, by MM/DD/YYYY, you will be entering into a payment agreement and, by doing so, will avoid termination of electricity service.**

Assistance to pay utility bills may be available to recipients of public assistance or supplemental security income from your local social services office. This agreement may be changed if your financial circumstances change significantly because of conditions beyond your control. If after entering into this agreement, you fail to comply with the terms, **FirstService Residential** may terminate your electricity service. If you do not sign this agreement or pay the total amount due of **\$XX.XX** by **MM/DD/YYYY**, **FirstService Residential** may seek to terminate your electricity service. **If you are unable to pay these terms, if further assistance is needed, or if you wish to discuss this agreement, please call FirstService Residential, 622 Third Avenue, 15th floor, New York, NY 10017. 212-634-8911**

Payment of Outstanding Balance:

Your current monthly budget amount is: \$XX.XX (in addition to your current electricity charges)

If you are not already enrolled in our Budget Billing Program, which allows you to pay for your service in equal monthly installments, and wish to enroll, check the box below and we will start you on this process.

Yes! I would like Budget Billing: ☐

Acceptance of Residential Payment Agreement:

Resident(s) Signature(s): _____ Date: _____

This agreement has been accepted by **FirstService Residential**. If you and **FirstService Residential** cannot negotiate a payment agreement, or if you need any further assistance, you may contact the Public Service Commission at 1-800-342-3377.

Return one copy of this agreement signed, along with the down payment of \$XX.XX, by MM/DD/YYYY to the FirstService Residential. If this is not done, your electricity service may be terminated.

FAILURE TO MAKE PAYMENT NOTICE DATED:

Resident(s) Name(s): _____

Address: _____

Account No.: _____

Dear [customer name]:

Your account is now ninety (90) days overdue. Please make payment of **\$XX.XX** by **MM/DD/YY** or we shall institute termination of your electricity service.

PLEASE REMIT \$XX.XX BY MM/DD/YY TO AVOID INITIATION OF TERMINATION OF YOUR ELECTRICITY SERVICE.

If you are unable to make payment because your financial circumstances have changed significantly due to events beyond your control, please contact **FirstService Residential 622 Third Avenue, 15th Fl., New York, NY 10017** at **212-634-8911**. If you or anyone in your household meets any of the following conditions please contact us: medical emergency, elderly, blind, or disabled.

Sincerely,

FirstService Residential

FINAL TERMINATION NOTICE DATED: _____

Resident(s) Name(s): _____

Address: _____

Account No.: _____

Dear [customer name]:

By letter dated **MM/DD/YY**, we notified you that your failure to remit the past due amount of **\$XX.XX** by **MM/DD/YY** would result in our terminating your electricity service. Our records indicate that we have not received your payment. Please remit **\$XX.XX** or your service will be terminated after **MM/DD/YY**.

If you disagree with the amount owed, you may call or write **FirstService Residential, 622 Third Avenue 15th Fl., New York, NY 10017** (telephone # **212-634-8911**) or you may contact the Public Service Commission at 1-800-342-3377.

THIS IS A FINAL TERMINATION NOTICE. PLEASE BRING THIS NOTICE TO OUR ATTENTION WHEN PAYING THIS BILL.

PLEASE REMIT \$XX.XX BY MM/DD/YY TO AVOID TERMINATION OF YOUR ELECTRICITY SERVICE.

If you are unable to make payment because your financial circumstances have changed significantly due to events beyond your control, please contact **FirstService Residential**. If you or anyone in your household meets any of the following conditions please contact **FirstService Residential**: medical emergency, elderly, blind, or disabled.

Sincerely,

FirstService Residential

Past Due Reminder Notice

RESIDENT(S) NAME(S): _____

ADDRESS: _____

ACCOUNT NO.: _____

On **MM/DD/YYYY**, you signed a Residential Deferred Payment Agreement (DPA), which obligated you to make a down payment of **\$XX.XX** by **MM/DD/YYYY** and regular payments of **\$XX.XX** (in addition to your current electricity charges) in order to avoid termination of electricity service. Our records indicate that you have failed to comply with the terms of the DPA. As a result, we are hereby notifying you that you must meet the terms of the existing DPA by making the necessary payment within twenty (20) calendar days of the date payment was due or a final termination notice may be issued to terminate your electricity service.

If you are unable to make payment under the terms of the DPA because your financial circumstances have changed significantly due to events beyond your control, you should immediately contact **FirstService Residential 622 Third Avenue 15th Fl., New York, NY 10017** because a new payment agreement may be available. Further, assistance to pay utility bills may be available to recipients of public assistance or supplemental security income from your local social services office.

The total amount owed to FirstService Residential for this account as of MM/DD/YYYY is: \$XX.XX.

Quarterly Billing Plan

Customer Name: _____

Premise Address: _____

Account Number: _____

Under this plan, **FirstService Residential, 622 Third Avenue 15th fl., New York, NY 10017** agrees to provide services in return for your agreement to make payments according to terms of this Plan.

The Customer confirms that he/she is greater than 62 years old, and that the Customer's bills in the preceding 12 months starting on MM/DD/YY and ending on MM/DD/YY, did not exceed \$150.

Under this Plan, the Customer will receive the first bill on MM/DD/YY covering actual charges incurred during the 3-month period MM/DD/YY to MM/DD/YY, and you will receive quarterly bills thereafter on or before MM/DD/YY, MM/DD/YY, and MM/DD/YY for actual charges incurred during each such preceding 3-month period.

On the dates specified above, you will be billed for actual charges incurred and you will be required to pay such amount stated on the bill. If you fail to pay the bill when it is due, you may be subject to termination of service pursuant to the Home Energy Fair Practices Act.

[] Yes!! would like Quarterly Billing:

Return one completed copy to FirstService Residential by MM/DD/YYYY.

CONFIDENTIAL
Evaluation of Customer's Ability To Pay

1. Employer Name, Address and Phone Number

2. What is your monthly income?

3. Please identify all other forms of income (Unemployment, Disability, and Public Assistance) and the amounts of each

4. Please list all checking and savings accounts and balances:

5. Please list all credit cards, balances due and the amount of the monthly payment on each:

6. Do you own your home or do you rent?

7. What is your monthly mortgage or rent payment?

8. List other assets (i.e., Stocks and Bonds) :

9. List other debts (bank loans, credit lines, utility bills, etc.) and the amount of the monthly payment on each:

10. Identify all other monthly expenditures by amount:

- Food expenses	\$	<hr/>
- Medical expenses	\$	<hr/>
- Telephone bills	\$	<hr/>
- Utility bills	\$	<hr/>
- Mandatory loan/credit card payments	\$	<hr/>
- Other	\$	<hr/>
	\$	<hr/>
	\$	<hr/>
	\$	<hr/>

**SPECIAL PROTECTIONS
REGISTRATION FORM**

Please complete this form if any of the following applies. Return this form to:

**FirstService Residential
622 Third Avenue 15th Fl.
New York, NY 10017
Tel: 212-634-5420**

ACCOUNT INFORMATION

(Be sure to complete before mailing)

Name

Address

Apartment

Town/City

Zip

Telephone # Daytime

Evening

Account Number (as shown on bill)

I would like to be considered for Special Protections.

In my household (Check):

- ☐ Unit Owner is 62 years of age or over, and any and all persons residing therewith are either 62 years of age or under 18 years of age.
- ☐ Unit Owner is blind (Legally or Medically)
- ☐ Unit Owner has a permanent disability
- ☐ Unit Owner/resident of my house has a Medical Hardship (type):

-
- ☐ Unit Owner/resident of my house has a Life Support Hardship (type):
-

I receive government assistance.

- ☐ I receive Public Assistance (PA). My case number is:

- ☐ I receive Supplemental Security Income (SSI). Note: SSI benefits are not the same as Social Security Retirement Benefits. My Social Security Number (optional) is:

Please send me more information about:

- ☐ Balanced billing

To be Completed by Third Party

Please let me know if this customer's bill is overdue. As a "caregiver," I understand that I am not responsible for payment of this bill.

Caregiver/Agency

Address

Apartment

Town/City

Zip

Telephone # Daytime

Evening

Designee Signature