

The 305 East 4th Street Condominium
New York, NY. 10009

PROCEDURES TO PURCHASE A RESIDENTIAL CONDOMINIUM UNIT

1. Any unit owner receiving an offer to purchase his/her unit must give notice to the Board of Managers, in writing to:

THE BOARD OF MANAGERS OF
THE 305 EAST 4th STREET CONDOMINIUM
C/O SALON REALTY CORP.
338 EAST 92nd STREET
NEW YORK, NY. 10128

2. Said notice shall include the original and two complete set of the following:
- a) Application (form enclosed)
 - b) Financial statement (form enclosed)
 - c) Two personal reference letters
 - d) Two financial reference letters
 - e) Fully executed copy of Contract of Sale
 - f) Processing fee of \$400.00 payable to SALON REALTY CORPORATION
 - g) Any further information as requested by the Board of Managers
 - h) Move out deposit of 500.00 paid by the seller
 - i) Move in deposit of \$500.00 paid by the purchaser
3. The giving of said notice will constitute an offer by the unit owner to sell his/her unit to the Board of Managers on behalf of all other unit owners upon the same terms and conditions as contained in such offer.
4. The Board of Managers has 30 days from the receipt of said notice to either (1) elect to purchase said unit upon the same terms and conditions as the offer or (2) waive their right of first refusal of said offer.
5. Exceptions to obtaining the waiver of the right of first refusal include the sale to a spouse, adult child, parents, parents-in-law or adult sibling. However, all of the above information is required for informational purposes, and the preparation of closing documents.
6. All moves are to be scheduled at least one week in advance and are to take place between 8:00 a.m. – 4:00 p.m. A 48-hour notification period is required and no moves will be permitted on weekends.

APT. _____

APPLICATION FOR WAIVER OF RIGHT OF FIRST REFUSAL ON PROPOSED
CONDOMINIUM SALE

Unit Owner(s) _____

Home phone _____ Work phone _____

Current address _____

Forwarding address _____

Proposed closing date _____

Purchase price _____

Down payment _____

Financing institution name _____

Address _____

Applicant's Name _____ SS # _____

Applicant's Name _____ SS # _____

Present Address(es) _____

Citizenship of applicant or proposed occupant: _____

Name and address of person who is authorized to accept service of
process in absence of applicant: _____

Present Landlord: Name, Address and Phone _____

Current Employer: Name, Address and Phone _____

Position, Income and Supervisor _____

Current Employer: Name, Address and Phone _____

Position, Income and Supervisor _____

CPA: Name, Address and Phone _____

Attorney: Name, Address and Phone _____

Financial References:

Bank: Name, Address and Account Number _____

Bank: Name, Address and Account Number _____

Personal References:

Name, Address, Phone, and Relationship to Applicant _____

Name, Address, Phone, and Relationship to Applicant _____

Reason for moving _____

How did you find this apartment? _____

Names and ages of all other persons to occupy the apartment

Does applicant plan to keep any pets? _____

If so, please specify type and number _____

Will any business be conducted in this apartment? If so, state the nature of the business in detail.

Will there be any business or professional visitors to the apartment? If so, state estimated number per day

Will there be any employees living or working in the apartment? If so, state name of each:

Business: _____

Domestic: _____

This application does not constitute a binding obligation of any kind by either Unit Owner, Purchaser or Condominium Association. Unit Owner will have a maximum of 60 days within which to complete the sale after receiving a waiver from the Board of managers. If such sale is not consummated in 60 days, Unit Owner shall be required to again comply with the "right of first refusal" requirements.

No written or oral representation or agreements by salespersons, broker or others are to be binding on Unit Owner, Purchaser, Condominium Association or agent unless included in the Contract of Sale.

The undersigned represents that the Contract of Sale described above shall be made strictly in accordance with the provisions of the By-laws of the condominium and agrees to deliver promptly to the Board all such further information with respect to the offer as the Board may reasonably request.

The undersigned acknowledges that the Board has a 30 day period, commencing after the date of receipt of both this notice and the receipt of such additional information concerning the offer as the Board may reasonably request, to exercise its right of first refusal to purchase the apartment on the terms specified herein and in the By-laws. The undersigned hereby requests that, if the Board elects to waive or release such right of first refusal, it deliver to the undersigned a certificate to that effect, pursuant to the provisions of the By-laws.

Applicant's signature

Unit Owner's signature

Applicant's signature

Unit Owner's signature

INCOME

Salary: _____

Pension: _____

Social Security: _____

Profit from wholly owned business: _____

Profit from partnership: _____

Dividends: _____

Interest: _____

Other (specify): _____

Total income: _____

ASSETS

Note: If value of any asset is not determinable in open market, set forth basis of valuation.

Cash in bank

Checking account: _____

Savings account: _____

Certificates of Deposit: _____

Money market: _____

Securities

Stocks: _____

Bonds: _____

Treasury Bills: _____

Real Estate (specify nature and location of property)

Other (describe)

Total assets:

LIABILITIES

State nature and amount:

Total liabilities: _____

Net worth: _____

THE 305 EAST 4th STREET CONDOMINIUM
CERTIFICATE OF WAIVER
RIGHT OF FIRST REFUSAL

On behalf of the Condominium Board of the 305 East 4th Street Condominium, 305 East 4th Street, New York, New York, 10009, I hereby, certify pursuant to the By-Laws of the 305 East 4th Street Condominium that _____,
Owner of Unit _____, has provided the Condominium Board or its designee with an executed copy of the Contract of Sale between himself/herself and _____ dated _____ with respect to the sale of Unit _____ and that on behalf of the Condominium Board, I have released and waved the Right of First Refusal of the Condominium Board provided for in the By-Laws with respect to such sale.

Condominium Board
The 305 East 4th Street Condominium

By: _____
Officer/Authorized Representative

Dated: _____

POWER OF ATTORNEY

All terms used in this Power of Attorney that are used (a) in the Declaration establishing a plan for condominium ownership of the premises known as The 305 East 4th Street Condominium (the "Condominium") and by the street number 305 East 4th Street, New York, New York, under Article 9-B of the Real Property Law of the State of New York, dated _____, 200_, and recorded in the New York County office of The Register of the City of New York on _____, 200_, in Reel ___, at page ___, (herein referred to in the "Declaration"), or (b) in the By-Laws of the Condominium (herein referred to as the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____ residing at _____, the owner of the Condominium Unit known as Unit No. ___ in the Condominium located at 48-52 Orchard Street, New York, New York, as designated and described in the Declaration as Unit No. ___ and also designated as Tax Lot ___ in Block ___ of Section ___ of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans of the Condominium ("Floor Plans"), does hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of the Condominium, and their successors in office, true and lawful attorneys-in-fact for the undersigned, with a power coupled with an interest, with power of substitution, (1) to acquire, in their own names as members of the Board of Managers or in the name of their designee, corporate or otherwise, on behalf of all owners of Units in said Condominium, in accordance with their respective common interests, any Condominium Unit whose owner desires to abandon or sell, transfer or assign the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale or lease thereof, if any, and the interest of such Unit Owner in all other assets of the Condominium (herein collectively called the "Appurtenant Interests"), or which shall be the subject of a foreclosure or other judicial sale, or to lease any Unit whose owner desires to rent the same, at such prices or at such rental, as the case may be, and on such other terms, and conditions as such attorneys-in-fact shall deem proper and thereafter to convey, sell, lease, mortgage, vote the votes appurtenant thereto (except for election of Managers), or otherwise deal in any such Unit so acquired by them, or to sublease any such Unit so leased by them, on such terms and conditions as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present and (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium which the Board of Managers of the Condominium deems necessary or appropriate to comply with any Law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium or (b) any agreement, consent, covenant, restriction, easement or declaration, or any amendment thereto affecting the Condominium or the

Common Elements, that the Board of Managers deems necessary or appropriate, provided that such change is consistent with such Declaration and applicable Law.

The undersigned does hereby further irrevocably nominate, constitute and appoint 305 East 4th Street Condominium (herein the "Sponsor") and its successors as my (our) true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in the undersigned's name and on the undersigned's behalf to vote at any Unit Owners' meeting for, and to file an amendment to the Declaration, By-Laws, Rules and Regulations and Floor Plans of the Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by the Sponsor or its designee in accordance with the Declaration or (2) shall be required by (a) an Institutional Lender designated by the Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by the Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Unit, (ii) require a material, physical modification to the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender covering the Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as the Sponsor or its designees shall cease to own any of the Units in The 50 Orchard Street Condominium.

This Power of Attorney is irrevocable.

IN WITNESS WHEREOF, I (we) have executed this Power of Attorney this _____ day of _____, 200_.

BYLAWS OF 305 EAST 4TH STREET CONDOMINIUM

A CONDOMINIUM PURSUANT TO THE
NEW YORK CONDOMINIUM ACT

Article One

Plan of Unit Ownership

Section One. Unit Ownership. The Condominium, located at 305 East 4th Street, in the City of New York, County of New York, State of New York, is submitted subject to the provisions of the Condominium Act, by a Declaration recorded simultaneously with these Bylaws in the office of the recording officer of the New York County City Register.

Section Two. Applicability to property. The provisions of these Bylaws are applicable to the Condominium, which term includes the land, the buildings, and all other improvements on it, as well as all easements, rights, and appurtenances belonging to it, and all other property, personal or mixed, intended for use in connection with it.

Section Three. Applicability to persons. All present and future owners, lessees, and mortgagees, their employees, and any other person who may use the facilities of the Condominium in any manner will be subject to these Bylaws, relevant unit deeds, and the rules and regulations pertaining to the use and operation of the Condominium property incorporated into the House Rules, which are attached hereto as Exhibit "1" of which are hereby incorporated by reference.

Acquisition, rental, or occupancy of any unit in the Condominium will be sufficient to signify acceptance and ratification of the provisions of the above instruments, and an express agreement to comply with them.

Section Four. Office. The office of the Condominium Association as operated by the Board of Managers, shall be located at 305 East 4th Street, in the City, County and State of New York.

Article Two

Board of Managers

Section One. Number and qualifications. The affairs of the Condominium Association shall be administered and governed by a Board of Managers. The Board of Managers shall be composed of five (5) persons all of whom shall be owners, co-owners, spouses or legal representatives or designees of owners or mortgagees of units, or in the case of corporate owners or mortgagees of units, officers, directors, shareholders, or employees of such corporations, such that there is one Board member appointed by each of the five (5) Condominium Unit Owners. In the event, however, that a member of the Board is removed (pursuant to Section Five hereof) the successor appointed by the subject Unit Owner, or by the majority of the Board, may be any Resident of the State of New York.

Section Two. Powers and duties. The Board of Managers will have the powers and duties necessary for the administration of the affairs of the Condominium, and may do all acts and things as are not by law, by the Condominium's Declaration, or by these Bylaws directed to be exercised and done by the owners. The powers and duties to be exercised by the Board of Managers include, but are not limited to the following:

(a) Care, upkeep, maintenance, and operation of the common elements.

(b) Determination, assessment, and collection of funds to defray common expenses of the Condominium.

(c) Entering into contracts deemed necessary or appropriate in furtherance of the interests of Unit Owners generally.

(d) Maintenance of detailed, written, and accurate records of receipts and disbursements arising from the operation of the property, which records, together with vouchers accrediting entries made therein, will be made available for examination by Unit Owners at convenient hours on working days.

(e) Authorization and prosecution of suits to foreclose liens for nonpayment of common charges or assessments, or to recover money judgments for unpaid common charges or assessments, on behalf of the Association.

(f) Authorization to prosecute actions or proceedings on behalf of any Unit Owner concerning a matter related to common elements or any other unit or unit owner.

(g) Employment and dismissal of personnel necessary or appropriate for the maintenance and operation of the property, the common elements, and the restricted common elements.

(h) Adoption and amendment of rules and regulations, not inconsistent with these Bylaws, covering the details of operation and use of the property.

(i) Establishment of bank accounts in the name of the Condominium, and authorization of signatories (by at least two designated members of the Board of Managers.)

(j) Purchasing, leasing, or otherwise acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of the Unit Owners, units offered for sale, lease, or surrender by their owners to the Board of Managers.

(k) Purchasing units at foreclosure or other judicial or trustee's sale in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners.

(l) Selling, leasing, encumbering, or otherwise dealing with units acquired by, and subleasing units leased by the Board of Managers or its designee, corporate or otherwise, on behalf of the Unit Owners.

(m) Organizing corporations or other legal entities to act as designees of the Board of Managers in acquiring title to or leasing units on behalf of all Unit Owners.

(n) Procuring insurance for the Condominium property, including the units, as set forth in these Bylaws.

(o) Contracting for repairs of and additions and improvements to the property, and for repairs to and restoration of the property in accordance with the provisions of these Bylaws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(p) In the event the Board of Managers elects not to be self-managed, the employment of a managing agent and/or manager at reasonable compensation to perform duties authorized by the Board of Managers. However, the board will not delegate to any managing agent or manager any of the powers set forth in

subsections (b), (e), (f), (h), (i), (j), (k), (l), and (m) of this section.

Section Three. Election and terms of office. At the first annual meeting of Unit Owners, the terms of office of the Board of Managers will be fixed for one (1) year. Board members will hold office until their successors have been elected and hold their first meeting.

Section Four. Vacancies. Vacancies in the Board of Managers caused by any reason other than the removal of a board member by a vote of the Unit Owners will be filled at the direction of the Condominium Unit for whom the representative member of the Board became vacant, or if same is not designated within twenty (20) days after written notice, then by a vote of the majority of the remaining board members, even though they may constitute less than a quorum. Each person so elected will hold office until a successor is elected at the next annual meeting of Unit Owners.

Section Five. Removal of board members. At any regular or special meeting duly called, any one or more members of the Board of Managers may be removed with or without cause by a vote of at least seventy-five (75%) percent of the common interest, and a successor may then and there be elected to fill the vacancy so created, by said voting members. Any board member so elected will serve for the unexpired term of the member's predecessor in office. Any board member whose removal has been proposed by the Unit Owners will be given an opportunity to be heard at the meeting at which a vote is to be taken on the issue of his or her removal.

Section Six. Organizational meeting. The first meeting of the Board of Managers will be held within thirty (30) days after the first annual meeting of the Unit Owners at which board members are appointed or elected and at a place to be designated by the board. No notice will be necessary to the newly elected Board of Managers in order legally to constitute the meeting, provided a quorum of the board is present.

Section Seven. Regular meetings. Regular meetings of the Board of Managers may be held at such times and places as are determined by the board. However, at least six (6) meetings will be held during each calendar year with no greater than a ninety (90) day period lapsing between any such meetings. Notice of each regular meeting of the board will be given to each board member personally, or by mail, electronic mail, telephone or fax, at least twenty (20) days prior to the date set for each meeting. Notice of any meeting in which any increase to common

charges or the imposition of any assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that such increases of assessments will be considered.

Section Eight. Special meetings. Special meetings of the Board of Managers may be called by the president, and will be called by the president or secretary at any time on the written request of at least three (3) board members, on ten (10) days' notice to each board member, given personally, or by mail, electronic mail, telephone or fax. Any such notice will state the time, place, and purpose of the meeting.

Section Nine. Meetings open to Unit Owners. All meetings of the Board of Managers shall be open to all Unit Owners. Notice of each meeting will be posted on the lobby bulletin board in the building's entrance vestibule, at least 72 hours before the meeting, except in the case of emergency meetings.

Section Ten. Waiver of notice. Any board member may at any time waive notice of any meeting of the Board of Managers in writing, and any written waiver will be deemed equivalent to the giving of the required notice. Attendance by any board member of any meeting of the board will constitute a waiver by that member of notice of its time, place and purpose. If all board members are present at any meeting of the board, no notice will be required, and any business may be transacted at any such meeting.

Section Eleven. Quorum; adjournments. At all meetings of the Board of Managers, four of the five members must be present to constitute a quorum for the transaction of business, and the acts of at least three (3) of the members will constitute the acts of the Board of Managers. If at any meeting of the Board of Managers less than a quorum is present, a majority of those present may adjourn the meeting. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section Twelve. Minutes. Minutes shall be taken at all meetings of the Board of Managers. Copies of the minutes shall be available for inspection by Unit Owners and board members at all reasonable times, at a location to be designated by the Secretary of the Board.

Section Thirteen. Fidelity bonds. The Board of Managers shall require that all officers and employees of the Condominium Association who handle or are responsible for Condominium funds

shall furnish adequate fidelity bonds. The premiums on such bonds will constitute a common expense to be paid by the Condominium.

Section Fourteen. Compensation. No member of the Board of Managers will receive compensation from the Condominium Association for acting as such. Any board member may, however, serve and may be compensated for serving the Unit Owners or the Board of Managers as an employee, manager, or in any other capacity, upon such approval by the Board.

Section Fifteen. Liability of Board of Managers. Members of the Board of Managers will not be liable to Unit Owners for mistakes in judgment, for negligence, or otherwise, except for their own willful misconduct or bad faith. Nor will members of the Board of Managers be personally liable with respect to any contract made by them on behalf of the Unit Owners, and the owners will indemnify the Board of Managers and each member of it against all contractual liability to third parties arising out of contracts made by the Board of Managers on behalf of the Condominium. However, such indemnification will not extend to any contract made in bad faith or contrary to the provisions of the Declaration, or of these Bylaws. The liability of each Unit Owner arising out of any contract made by the Board of Managers, or out of the indemnification of the members of the Board of Managers, will be the proportion of the total liability that the Unit Owner's interest in the common elements bears to the interests of all Unit Owners in the common elements. Every agreement made by the Board of Managers or by any managing agent or manager employed by the Board of Managers on behalf of the Unit Owners will provide that the members of the Board of Managers, or the managing agent or manager, as the case may be, are acting only as agents for the Unit Owners, and will have no personal liability except as Unit Owners. Agreements will further provide that each Unit Owner's liability is limited to the proportion of the total liability that his or her interest in the common elements bears to the interests of all Unit Owners in the common elements.

Article Three

Unit Owners

Section One. Annual meetings. Annual meetings of the Unit Owners will be held on the third Wednesday in March of each succeeding year at a designated location within the Borough of Manhattan, in the City, County and State of New York. At such

meetings the Board of shall be appointed or elected Managers in accordance with the requirements of Article Two of these Bylaws. The owners may also transact such other business of the Condominium that properly comes before the meeting.

Section Two. Special meetings. The president may, and shall if directed by resolution of the Board of Managers or by petition signed and presented to the secretary by Unit Owners owning a total of at least fifty-five (55%) percent of the common interest, call a special meeting of the Unit Owners. The notice of any special meeting will state the time and place of the meeting, and the intended purpose. No business will be transacted at a special meeting except as stated in the notice unless by consent of fifty-five (55%) percent of the common interest of owners present, either in person or by proxy.

Section Three. Place of meetings. Meetings of Unit Owners shall be held at the principal office of the Condominium, or at such other suitable place convenient to the owners as may be designated by the Board of Managers.

Section Four. Notice of meetings. It shall be the duty of the secretary to mail a notice of each annual or special meeting, stating its purpose, time, and place, to each Unit Owner, at the address last furnished the Association, at least twenty (20) days prior to the meeting for regular meetings, and at least ten (10) days prior to special meetings. The mailing of a notice in the manner provided in this section shall be considered notice served. Notice of the annual meeting shall be posted at least thirty (30) days prior to the annual meeting, on the lobby bulletin board in the Building's entrance vestibule.

Section Five. Quorum; majority of Unit Owners defined. At all meetings of the Unit Owners, owners holding in the aggregate at least seventy-five (75%) percent in both common interest and in number of units shall constitute a quorum for the transaction of business. If a quorum is present at a meeting, the acts of a majority in both the aggregate common interest and in number of units of those Unit Owners present shall bind all Unit Owners for all purposes other than those for which a higher percentage is required by law, by the Declaration, or by these Bylaws. If at any meeting of Unit Owners, less than a quorum is present, a majority of those present may adjourn the meeting to a date not less than two (2) days from the date the original meeting was called. At any such subsequent meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice. As used in these Bylaws, the term "majority of Unit

Owners" shall mean those owners holding fifty-five (55%) percent or more in the aggregate in both common interest and in number of units of the entire Condominium.

Section Six. Order of business. The order of business at all meetings of the Unit Owners will be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of Board of Managers.
- (f) Reports of committees.
- (g) Appointment of Board Members.
- (h) Election of inspectors of election (when appropriate).
- (i) Election of members of Board of Managers (when required).
- (j) Unfinished business.
- (k) New business.

Section Seven. Voting. The owner or owners of each unit, or some person appointed by an owner or owners to act as proxy on his or her or their behalf, will be entitled to cast the vote appurtenant to each unit at all meetings of the Unit Owners. The appointment of any proxy will be made in a writing filed with the secretary, and will be revocable at any time by notice in writing to the secretary. Voting will be on a percentage and unit basis. The percentage of the vote to which an owner is entitled will be the percentage or the sum of the percentages assigned to the unit or units owned by him or her as set forth in the Declaration. The number of unit votes to which an owner is entitled shall be equal to the number of units owned by him or her.

Section Eight. Minutes. Minutes shall be taken at all meetings of Unit Owners. Copies of the minutes shall be available for inspection by Unit Owners and members of the Board of Managers at all reasonable times, at a location to be designated by the Secretary of the Board.

Section Nine. Title to units. Title to units may be acquired and held in the name of an individual, in the name of two or more persons as joint tenants, tenants in common, or tenants by the entireties, or in the name of a corporation, a partnership, or a fiduciary.

Article Four

Officers

Section One. Designation. The principal officers of the Condominium Association will be a president, a vice president, a secretary, and a treasurer, all of whom shall be elected by [and from] the Board of Managers. The board may also appoint an assistant vice president, and assistant treasurer, or an assistant secretary, and such other officers as in its judgment may be necessary.

Section Two. Election of officers. The officers of the Association will be elected annually by the Board of Managers at the organizational meeting of each new board, and will hold office at the pleasure of the board.

Section Three. Removal of officers. On the affirmative vote of at least seventy-five (75%) percent of the members of the Board of Managers, any officer may be removed, with or without cause, and his or her successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the board called for that purpose.

Section Four. President. The president will be the chief executive officer of the Association. He or she will preside at all meetings of the Board of Managers and of Unit Owners. He or she will have all general powers and duties that are incident to the office of president of a corporation organized under the Business Corporation Law of the State of New York, including, but not limited to the power to appoint committees from among the owners as he or she may deem appropriate to assist in the conduct of the affairs of the Condominium.

Section Five. Vice president. The vice president shall take the place of the president and perform the president's duties whenever the president is absent or unable to act. If neither the president nor the vice president is able to act, the Board of Managers will appoint some other member of the board to do so on an interim basis. The vice president will also perform such other duties as may from time to time be imposed upon him or her by the Board of Managers.

Section Six. Secretary. The secretary shall keep the minutes of all meetings of the Board of Managers and of the Unit Owners; will have charge of such books and papers as the Board

of Managers may determine; and will, in general, perform all duties incident to the office of secretary of a corporation organized under the Business Corporation Law of the State of New York.

Section Seven. Treasurer. The treasurer shall have responsibility for the funds and securities of the Condominium, for keeping full and accurate accounts showing all receipts and disbursements, and for the preparation of all necessary financial statements. The treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Managers or managing agent, in such depositories as may from time to time be designated by the Board of Managers, and will, in general, perform all duties incident to the office of treasurer of a corporation organized under the Business Corporation Law of the State of New York.

Section Eight. Compensation. No officer will receive any compensation from the Association for acting as such. However, nothing contained in the Bylaws will be construed to preclude any officer from serving the Association in any other capacity, and receiving compensation.

Article Five

Operation of Property

Section One. Determination of common charges. The Board of Managers will from time to time, and at least annually, prepare a budget for the Condominium. This budget will include projections of common expenses, common revenues (from sources other than assessments of Unit Owners), the amount of common charges required to meet the excess of the former over the latter, and an allocation and assessment of common charges against Unit Owners as provided in the Declaration.

As used in these Bylaws, the term "common expenses" or "common charges" shall mean expenses or charges for which Unit Owners are proportionately liable, and shall include, but shall not be limited to the following:

- (a) All expenses of administration of the Association.
- (b) Management fees.
- (c) All expenses for maintenance, repair, and replacement of the common elements.

- (d) Rent for recreational and other commonly used facilities or equipment.
- (e) Taxes upon Association property.
- (f) Taxes upon leased areas.
- (g) Insurance premiums on all policies of insurance obtained by the Board of Managers, managing agent, or manager.
- (h) Security expenses.
- (i) Working capital reserve.
- (j) General operating reserve.
- (k) Repair and replacement reserve.
- (l) Funds for the satisfaction of deficits accrued in prior years.
- (m) Reserve for acquisition or lease of units, in the exercise of the Condominium's reserved rights of first refusal under the Declaration, in connection with the sale or lease of any units by their respective owners, or that may become available at a trustee's sale or at foreclosure or other judicial sale.
- (n) Utility expenses for the provision of heat and hot water, by natural gas, fuel oil or otherwise.
- (o) Utility expenses for water and gas, and related sewer rents.
- (p) Utility expenses for electricity serving the common elements.
- (q) All other amounts that the owners may agree upon or that the Board of Managers may deem necessary or appropriate for operation, administration, and maintenance of the Condominium or for the improvement of services to be provided to the Condominium's residents.
- (r) All other amounts designated common expenses by the Declaration, by these Bylaws, or by law.

The Board of Managers shall furnish copies of the budget on which the allocations and assessments of common charges are

based to all Unit Owners, and to any mortgagees and trust deed beneficiaries.

Section Two: Determination of Common Charges and Assessments: The determination of Common Charges, under Section One of this Article, shall be made on the basis of an affirmative vote of at least three (3) of the Members of the Board of Managers.

The imposition of any Assessments shall require the affirmative vote of at least three (3) of the Members of the Board of Managers, for Assessments up to a total of Five Thousand (\$5,000.00) Dollars in any calendar year, and shall require the affirmative vote of at least four (4) of the Members of the Board of Managers as to any Assessments exceeding Five Thousand (\$5,000.00) Dollars in a calendar year.

Section Three. Collection of assessments. The Board of Managers shall assess common charges against the Unit Owners on a monthly basis, and will advise each Unit Owner in writing of the amount of common charges payable by him or her. The Board of Managers may from time to time impose an assessment for expenses or improvements not covered by monthly maintenance charges. If any common charge or assessment remains unpaid for more than sixty (60) days from the date due, the Board of Managers shall take prompt action to collect such arrears.

Section Four. Common surplus. If in any taxable year, the net income of the Unit Owners from assessments and all other sources (except casualty insurance proceeds and other nonrecurring items) exceeds the sum of (a) total common expenses for which payment has been made or liability incurred within the taxable year, and (b) after setting aside reasonable reserves for common expenses in the next succeeding taxable year and for anticipated future repairs, renovations or improvements, as shall be determined by the Board of Managers, then the excess, upon an affirmative vote of at least four (4) of the Members of the Board of Managers, may be returned to Unit Owners, the share of each being in proportion to the amount of their common ownership interest.

Section Five. Liability for assessments. All Unit Owners are obligated to pay the common charges assessed by the Board of Managers at such times as the board may determine. No Unit Owner may exempt himself or herself from liability for any assessment for common charges by waiver of the use or enjoyment of any of the common elements or by abandonment of his or her unit. However, no Unit Owner will be liable for any assessment for

common charges against his or her unit subsequent to a sale, transfer, or other conveyance by him or her of the unit made in accordance with the provisions of Section Three of Article Seven of these Bylaws. In all voluntary conveyances of units, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his or her share of common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover against the grantor any amounts paid by the grantee. However, any such grantee shall be entitled to a statement from the Board of Managers, or the managing agent or manager, setting forth the amount of unpaid assessments. The grantee shall not be liable for any amount in excess of the amount set forth in such statement. A first mortgagee or other purchaser of a unit at a foreclosure sale shall not be liable for nonpayment of any common charges assessed prior to the date of the foreclosure sale, and such unit shall not be subject to a lien for nonpayment of such charges.

Section Six. Default in payment of common charges. In the event a Unit Owner fails for sixty (60) days following the due date, to pay to the Board of Managers the common charges or assessments imposed against his or her unit, the Unit Owner will be deemed in default, and will be obligated to pay interest at the rate eighteen (18%) percent per annum (but not to exceed the maximum legal rate that may be charged) on the common charges from their original due date, together with all expenses, including reasonable attorneys' fees, incurred by the Board of Managers in any proceeding brought to collect the same, or to foreclose the lien for nonpayment.

Section Seven. Foreclosure of liens for unpaid common charges. It will be the right and duty of the Board of Managers to attempt to recover unpaid common charges and assessments, together with interest, and expenses of the proceeding, including reasonable attorneys' fees, by an action brought against any Unit Owner in default on his or her obligation to pay those amounts, or by foreclosure of the lien on any unit in respect to which a default has occurred. In any foreclosure the Unit Owner will be required to pay reasonable rental for the unit for the period beginning on the date notice of default is first served and ending on the date of sale; and the Board of Managers, as plaintiff in the foreclosure, will be entitled to the appointment of a receiver to collect the rental. The Board of Managers, acting on behalf of all Unit Owners as the Unit Owners, will have power to bid on and purchase any such unit, and to acquire, hold, lease, encumber, convey, or otherwise deal with it. Suit to recover a money judgment for unpaid common

charges will be maintainable without foreclosing or waiving the lien securing them, and foreclosure will be maintainable notwithstanding the pendency of a suit to recover a money judgment.

Section Eight. Maintenance and repair.

(a) Each owner will promptly perform all maintenance and repair work within his or her own unit, which if omitted would affect any common element, any portion of the property belonging to any other unit owner, or the Condominium as a whole, and is expressly responsible for all damages and liabilities that any failure to perform such repair or maintenance may cause.

(b) All maintenance, repairs, and replacements to the common elements, whether located inside or outside individual units, will be the responsibility of the Board of Managers and will be charged to all Unit Owners as common expenses unless necessitated by the negligence or misconduct of individual Unit Owners, in which case the expenses will be the responsibility of and will be charged to those individual Unit Owners.

(c) Each Unit Owner will be responsible for and reimburse the Condominium for any expenditures incurred in repairing or replacing any common element damaged through his or her fault.

Section Nine. Uses of units.

(a) Units will be occupied and used by their respective owners only as private dwellings for the owner, the owner's family, tenants, and social guests, and for no other purpose.

(b) No portion of an unit other than the entire unit may be rented, and no unit may be rented for hotel or transient purposes.

(c) Residents will exercise extreme care about making noises or playing music which may disturb other residents. Residents keeping domestic animals must abide by municipal sanitary regulations.

(d) Hanging, cleaning, or beating garments, rugs, etc., from or on the windows, terraces, or facades of the building is prohibited.

(e) Throwing garbage or trash outside disposal installations provided for such purposes is prohibited.

(f) No owner, resident, or lessee will install wiring for any electrical or telephone installation, television antenna or satellite dish, air-conditioning unit, or machine of any kind, on the exterior of the building or which protrudes through the walls or through or upon the roof of the project except as authorized by the Board of Managers or seventy-five (75%) percent of the total Unit Owners.

(g) Owners will not take or cause to be taken within their units any action that would jeopardize the soundness or safety of any part of the Condominium property or impair any easement or affect the common elements without the unanimous consent of all Unit Owners who might be affected.

(h) Owners will not permit anything to be done or kept in their units that would increase the rate of fire insurance on the unit or on the Condominium as a whole.

(i) No immoral, improper, offensive, or unlawful uses will be made of Condominium property or any part of it, and each Unit Owner, at his or her own expense, will comply with, perform, and fully satisfy all city, state, and federal laws, statutes, ordinances, regulations, orders, or requirements affecting his or her unit.

(j) No Owner shall install any plumbing or appliances, without the prior written approval of the Board of Managers.

Section Ten. Modifications by Unit Owners. No Unit Owner will make any structural addition or alteration in or to his or her unit without the prior written consent of the Board of Managers. On request by any Unit Owner for approval of a proposed addition or alteration, the Board of Managers will answer the request within thirty (30) days after its receipt, and a failure to answer within the stipulated time will constitute its consent. Any application to any governmental authority for a permit to make any addition or alteration in or to any unit will be executed by the Board of Managers only. However, neither the board nor any board member will be liable to any contractor, subcontractor, or materialman, or to any person claiming injury to person or property as a result of such addition or alteration by reason of its consent to any such construction.

Section Eleven. Right-of-entry. Each Unit Owner by his or her acceptance of their deed hereby grants to the manager, managing agent, or other person or persons authorized by the Board of Managers, a right-of-entry to correct any condition

threatening his or her unit or originating in his or her unit and threatening another unit or a common element; to install, alter, or repair mechanical or electrical services or other common elements located in his or her unit or elsewhere; and to correct any condition which violates the provisions of any mortgage secured by any other unit. Requests for entry will be made in advance and will be scheduled for times convenient to the owner except that in case of emergencies, right-of- entry will be immediate, and will exist whether the Unit Owner is present at the time or not. Toward this end, each Unit Owner shall provide duplicate keys for their door locks to the President of the Board, or to such other person as may be substituted as the designated party for that purpose by the Board of Managers.

Section Twelve. Use of common elements.

Unit Owners will not place or cause to be placed in the lobbies, vestibules or stairways, and other Condominium areas and facilities of a similar nature comprising either general or limited common elements, any furniture, packages or objects of any kind. Such areas will be used for no other purpose than for normal transit through them.

Section Thirteen. Modifications by Board of Managers. Any additions or alterations in or to the common elements costing \$5,000 or less may be made by the Board of Managers without approval of the Unit Owners, and the costs will be treated as common expenses. Whenever in the judgment of the Board of Managers, the common elements require additions or alterations costing in excess of \$5,000, the making of such additions or alterations will require approval by owners holding seventy-five (75%) percent or more in both common interest and in number of units. After approval has been obtained, the Board of Managers will proceed with the additions or alterations, and the costs will be treated as common expenses.

Section Fourteen. Repair or reconstruction. If seventy-five (75%) percent or more of the building is destroyed or substantially damaged and seventy-five (75%) percent or more of Unit Owners do not duly and promptly resolve to proceed with repair or restoration, then the property, or so much of it as shall remain, shall be subject to an action for partition at the suit of any Unit Owner or lienor as if owned in common.

The net proceeds of any such sale, together with the net proceeds of insurance policies, shall be considered as one fund and shall be divided among all Unit Owners in proportion to

their respective common interests; provided however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such fund all liens on his or her respective unit.

In all other cases, in the event of damage to or destruction of the building, the Board of Managers shall arrange for the prompt repair and restoration of the building, including individual units, but not including furniture, furnishings, decorations, fixtures or equipment installed by Unit Owners in their units. The Board of Managers shall disburse, in appropriate progress payments, the proceeds of all insurance policies to the contractors engaged in repair and restoration work. Costs of repair and restoration in excess of insurance proceeds shall be treated as common expenses.

Section Fifteen. Rehabilitation of property. In the event the Unit Owners shall determine that the Condominium property is obsolete, in whole or in part, they may elect, by affirmative vote of owners holding seventy-five (75%) percent, or more of the common interest and number of units at a meeting duly called and held for the purpose of considering it, to renew and rehabilitate the property or any part of it. The cost of renewal and rehabilitation shall be treated as a common expense.

Section Sixteen. Fire and extended coverage insurance. The Board of Managers, or the managing agent or manager, as the case may be, will obtain and continue in effect, insurance against loss by fire and other casualties normally covered under broad-form fire and extended coverage insurance as written in New York, covering all general and limited common elements, all structural portions of the Condominium property, together with all service machinery and equipment, and each of the units, but not including furniture, fixtures, decorations, equipment, or personal property installed or placed therein by Unit Owners, covering the interests of the Condominium, the Board of Managers and all unit owners and their mortgagees, as their interests may appear, in an amount not less than seventy-five (75%) percent of their assessed value. The premiums for the insurance will be a common expense to be paid by monthly assessments levied by the Board of Managers.

Section Seventeen. Liability insurance. The Board of Managers or the managing agent or manager, as the case may be, will obtain and continue in effect insurance against liability for personal injury and death and for damage to property arising from accidents occurring within the general and limited common elements in amounts reasonably determined by the Board of

Managers. The premiums for the insurance will be a common expense to be paid by monthly assessments levied by the Board of Managers.

Section Eighteen. Beneficiaries of insurance. All policies of insurance required to be obtained will be written in the name of 305 East 4th Street Condominium LLC, as trustee for all Unit Owners, and mortgagees. Even though not named in the policies, however, each Unit Owner and his or her mortgagee or mortgagees, if any, as their interests may appear, will be a beneficiary in the percentage assigned to his or her respective unit in the Declaration.

Section Nineteen. Right of owners to insure units. Any insurance procured or maintained by the Board of Managers, or managing agent or manager, as the case may be, will be without prejudice to the right of each Unit Owner to procure and maintain such unit insurance as he or she sees fit.

Section Twenty. Rules and regulations. Rules and regulations concerning the use of the common elements and of individual units (incorporated in the House Rules) may be promulgated and amended from time to time by the Board of Managers with the approval of a majority of Unit Owners holding at least fifty-five (55%) percent of the common elements. Copies of all rules and regulations will be furnished by the Board of Managers to each Unit Owner prior to their effective date. Initial rules and regulations, which will be effective until amended by the Board of Managers with the approval of a majority of Unit Owners, are shown in the House Rules attached as Exhibit "1", and incorporated herein by reference.

Section Twenty-One. Abatement of violations. Violation of any provision of the Declaration, of these Bylaws, or of any house rule or regulation will give the Board of Managers, acting on behalf of all Unit Owners, the right, in addition to any other rights given by these Bylaws:

(a) To enter any unit in or as to which a violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any thing or condition constituting a violation or breach; and the Board of Managers will not be deemed guilty of trespass in so doing; or

(b) To enjoin, abate, or remedy the continuance of the violation or breach by appropriate legal proceedings, or to bring an action for recovery of damages.

Article Six

Mortgages

Section One. Notice of encumbrance. An owner who mortgages his or her unit will, within seven (7) days after such mortgage has been executed, notify the manager, managing agent, or secretary of the Condominium of the name and address of his or her mortgagee; and the secretary will maintain such information in a book entitled "Mortgagees of Units."

Section Two. Payment of assessments. No Unit Owner will be permitted to convey, mortgage, pledge, sell, or lease his or her unit unless and until he or she has paid in full to the Board of Managers all unpaid charges theretofore assessed against his or her unit, and until he or she has satisfied all unpaid liens against his or her unit other than mortgage liens (which may be paid from the proceeds of the sale, simultaneously with the conveyance of title).

Section Three. Notice of unpaid assessments. The secretary of the Condominium will, at the request of a mortgagee of a unit, report any unpaid assessments due from the owner of such unit.

Section Four. Notice of default. Upon giving notice to a Unit Owner of a default, whether in payment of common charges or otherwise, the Board of Managers will send a copy of the notice to each holder of a mortgage secured by the unit whose name and address appears in the book entitled "Mortgagees of Units."

Section Five. Inspection of books. Unit Owners and mortgagees will be permitted to inspect the books of account of the Condominium at reasonable times during business hours.

Article Seven

Sales and Leases of Units

Section One. Compliance with article. No Unit Owner may sell or lease his or her unit or any interest in it except by complying with the provisions of this article.

Section Two. Severance of ownership. Any sale of a unit must include the sale of the undivided interest in the common elements appurtenant to that unit; the interest of the seller in any units then held by the Board of Managers, and the proceeds

of the sale or lease of those units; and the interest of the seller in any other assets of the Condominium (collectively referred to as appurtenant interests). No part of the appurtenant interests of any unit may be sold, transferred, or otherwise disposed of, except as part of a sale, transfer, or other disposition of the unit to which the interests are appurtenant; or as a part of a sale, transfer, or other disposition of such part of the appurtenant interests of all units. Any deed, mortgage, or other instrument purporting to affect a unit or one or more appurtenant interests without including all such interests will be deemed to include the interest or interests that were omitted; it being the intention of this provision to prevent any severance of combined ownership of units and their appurtenant interests.

Section Three. Right of first refusal. In the event a Unit Owner shall wish to sell his or her Unit and shall have received a bona fide offer for it from a prospective purchaser, the Owner shall give written notice of the offer together with executed copies of fully executed Contracts of Sale and a completed Application for Sale (in a form to be determined from time to time) to the Board of Managers of the Association (which shall constitute a Unit Sale Proposal).

The giving of this notice and application will constitute a warranty and representation by the Unit Owner to the Board of Managers that the owner believes the offer to be bona fide in all respects, and intends to accept it. The Board, acting on behalf of all of the other Unit Owners, may elect by a simple vote of owners with at least a Fifty-Five (55%) percent interest in the common elements, to purchase the Unit at the same price and on the same terms as offered by the proposed purchaser, provided written notice of the election to purchase is given to the selling Owner within thirty (30) days of the Board's receipt of the aforesaid Unit Sale Proposal.

Any Unit Owner who receives a bona fide offer to lease his or her Unit which he or she intends to accept, will give notice to the Board of Managers of the terms of the offer, the name and address of the offeror, and other information as the board may reasonably request. The giving of this notice will constitute a warranty and representation by the Unit Owner to the Board of Managers that the owner believes the offer to be bona fide in all respects, and intends to accept it. Within thirty (30) days after receipt of the notice, the board may elect, by notice to the Unit Owner, to lease the unit, on behalf of the Unit Owners, on the same terms and conditions stated in the Unit Owner's notice. If the board or its designee fails, within thirty (30)

days to give notice of its intent to lease the Unit, the Unit Owner will be free to lease the same to the outside tenant on the terms and conditions set forth in the original offer.

In the event, that the Board of Managers within ten (10) days of the receipt of a notice of sale or lease, as above, requests certain information, references, credit authorizations, etc., as to the proposed offering, said items must be provided within ten (10) days of the Board's request for same. In the event such items are not timely provided, the Board's time to exercise its rights of first refusal shall be extended one (1) day for each day that elapses beyond said ten (10) day period as to the last of the requested items.

In the event any Owner shall attempt to sell or lease his or her Condominium without offering the Board the chance to exercise this right of first refusal, the sale shall be null and void. If, however, the Board fails to so notify the Owner within the aforesaid thirty (30) day period, (subject to the aforesaid extensions), the Owner may sell or lease to the prospective purchaser or tenant, respectively, in accordance with the terms of the offered Unit Sale or Lease Proposal.

In the event that a proposed sale does not close within six (6) months of the date on which the Board of Managers received the Unit Sale Proposal, or that the outside tenant, who is the subject of a Lease Proposal, does not occupy the Unit within three (3) months of the Notice to Board, any waiver of the Board's Right of First Refusal shall be deemed to have expired and the offer of sale must be presented again to the Board of Managers, which shall have an additional thirty (30) days in which to reconsider the exercise of its right to purchase or lease the subject Unit.

The failure or refusal of the Board to exercise the right of first refusal shall not constitute a waiver of the right to purchase the Unit when the owner receives any subsequent bona fide offer from any other prospective purchaser, or receives any offer containing different terms and conditions (as to price, payment terms, etc.).

This Right of First Refusal shall not affect the right of any Owner to subject his or her Condominium Unit to a deed of trust, mortgage, or other security instrument. Any first lender coming into possession of a Unit pursuant to the remedies provided in a mortgage foreclosure or deed in lieu of foreclosure shall be exempt from any right of first refusal. A Unit Owner may sell or give his or her Unit to his or her

spouse, children, parents, or brothers and sisters, or to a trust created for the benefit of any one of them, without first offering to sell the Unit to the Board.

The Board of Managers may assess a reasonable processing charge for its review of the Unit Sale Proposal, or for its issuance of a waiver of the aforesaid Right of First Refusal.

Section Four. Consent of Unit Owners. The right of first refusal set forth above may not be exercised by the Board of Managers without the prior approval of owners holding at least seventy-five (75%) percent of the common interest and number of units.

Section Five. Release of right of first refusal. The right of first refusal set forth above may be affirmatively released or waived by the Board of Managers.

Section Six. Certificate of termination or waiver of right of first refusal. Any Unit Owner who has given the notice required in Section Three of this article, or in respect to whom the provisions of that section have been waived, may request a certificate of termination or waiver, as the case may be, of the applicable right of first refusal. On such a request, a certificate of termination or waiver will be executed and acknowledged by the secretary of the Condominium, and the certificate will be conclusive on the Board of Managers and the Unit Owners in favor of all persons relying on it in good faith.

Section Seven. Processing Fees. The Board of Managers may charge a reasonable processing fee, initially set in the amount of \$350.00 (which may be modified by the Board of Managers after the Second Anniversary of the Condominium's conversion) for its consideration of any proposed sale or lease of a Unit, on its provision of a waiver of its right of first refusal.

Section Eight. Financing acquisition of units by Board of Managers. Acquisition of units may be financed from its reserve account from working capital, and/or common charges in the hands of the Board of Managers. If those funds are insufficient, the board may levy an assessment against Unit Owners in proportion to their ownership of the common elements, as a common charge. The board is also authorized to borrow money to finance the acquisition of these units. However, no lien or encumbrance on any property, other than the unit to be acquired, may be suffered to secure the financing.

Section Nine. Exceptions. The right of first refusal in

this Article will not apply to any sale or lease of an unit by its owner to his or her spouse, to any of his or her children, to his or her parent or parents, to his or her brothers or sisters, or to any one or more of them; nor to the acquisition or sale of any unit by a mortgagee acquiring title by foreclosure or by deed in lieu of foreclosure. Nor will the right apply to any transfer or conveyance of an unit by bona fide gift, by devise, or by intestate succession.

Article Eight

Eminent Domain

Section One. Condemnation of common elements. If all or any part of the general or limited common elements is taken, injured, or destroyed by eminent domain, each Unit Owner will be entitled to participate, through the Condominium, in the related proceedings. However, any damages shall be for the taking, injury, or destruction as a whole, and will be collected by the Board of Managers. If seventy-five (75%) percent or more in number and in common interest of Unit Owners duly and promptly approve the repair and restoration of the common elements, the Board of Managers shall contract for the repair and restoration, and shall disburse the proceeds of the award in appropriate progress payments to contractors engaged in the repair and restoration. If the proceeds of the award are insufficient to defray the entire expense of repair and restoration, the excess of the expense over the proceeds shall be treated as a common expense. In the event that seventy-five (75%) percent or more of Unit Owners do not duly and promptly approve the repair and restoration of the common elements, the net proceeds shall be divided by the Board of Managers among all Unit Owners in proportion to their respective common interests, paying out of the share of each Unit Owner the amount of any unpaid liens on his or her unit, in the order of priority of such liens.

Section Two. Condemnation of units. If all or any part of any unit or units, other than the undivided interest or interests in the appurtenant general and limited common elements, is taken, injured, or destroyed by eminent domain, each Unit Owner so affected will be entitled to participate directly in the related proceedings. Any damages will be payable directly to the Unit Owner or owners.

Article Nine

Records

Section One. Records; certification by certified public accountants. The manager, managing agent, and Board of Managers will keep detailed records of all actions of the manager, managing agent, and Board of Managers, as well as minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account for the Condominium, including a chronological record of all receipts and disbursements. A separate account will also be kept for each unit containing, among other things, the amount of each assessment against the unit, the date when due, amounts paid, and the balance remaining due. The Board of Managers will also prepare a quarterly written report summarizing receipts and disbursements of the Condominium, copies of which will be made available to all Unit Owners. Additionally, an annual report of receipts and disbursements of the Condominium, certified by an independent certified public accountant, will be rendered by the Board of Managers to all Unit Owners and mortgagees requesting it, promptly after the end of each fiscal year.

Article Ten

Miscellaneous

Section One. Notices. All notices required or permitted to be sent to the Board of Managers will be sent by registered or certified mail in care of the manager or managing agent, or if there is no manager or managing agent, to the office of the Board of Managers c/o Andrew Black, on the third floor of the subject Premises, in the City, County and State of New York, or to any other address as the board may, from time to time designate. All notices required or permitted to be sent to any Unit Owner will be sent by registered or certified mail to the Condominium or to any other address the owner may have designated in writing to the Board of Managers. All notices to unit mortgagees will be sent by registered or certified mail to their respective addresses, as maintained by the secretary in the book entitled "Mortgagees of Units." All notices will be deemed to have been given when mailed, except notices of change of address which will be deemed to have been given when received.

Section Two. Waiver. No restriction, condition, obligation, or provision contained in these Bylaws will be deemed to have been abrogated or waived by reason of any failure to enforce it, irrespective of the number of violations and failures to enforce that may occur.

Section Three. Invalidity. If any provision or provisions of these Bylaws is or are declared invalid, the invalidity will in no way impair or affect the validity, enforceability, or effect of the remaining provisions of these Bylaws, which shall remain in full force and effect.

Section Four. Captions. Captions are inserted in these Bylaws for convenience and reference only, and will not be taken in any way to limit or describe the scope of these Bylaws or any of their provision.

Article Eleven

Amendments

Section One. Amendments. These Bylaws may be amended by the vote of one hundred (100%) percent in number and in common interest of all Unit Owners at a meeting of Unit Owners duly called and held for such purpose. Any amendment shall be filed for record in the office in which these Bylaws are recorded.

Article Twelve

Conflicts

Section One. Conflicts. These Bylaws are intended to comply with the requirements of, and are written according to the provisions of Article 9-B of the Real Property Law of the State of New York. If these Bylaws or any provisions are so construed as to be in conflict with the provisions of such statute or of the Declaration to which they are attached, the provisions of the statute or of the Declaration, as the case may be, will control, and the remainder of these By-Laws shall remain in full force and effect.

305 East 4th Street Condominium

HOUSE RULES

(1) The public halls and stairways of the building shall not be obstructed or used for any purpose other than ingress to and egress from the apartments in the building.

(2) Children under the age of sixteen (16) years shall not play in the public halls, courts, stairways, fire towers or elevators, and shall not be permitted on the roof unless accompanied by a responsible adult.

(3) No public hall above the ground floor of the building shall be decorated or furnished by any Unit Owner in any manner without the prior written consent of the Board of Managers, on the basis of a vote of Unit Owners at least seventy-five (75%) percent of the common elements.

(4) No Unit Owner shall make or permit any disturbing noises in the building or do or permit anything to be done therein which will interfere with the rights, comfort or convenience of other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument or permit to be operated a stereo system or a radio or television loud speaker in such Unit Owner's apartment between the hours 11:00 p.m. and the following 8:00 a.m. if the same shall disturb or annoy other occupants of the building. Electrically amplified musical instruments shall be prohibited at any time.

(5) No construction or repair work or other installation involving noise shall be conducted in any apartment except on weekdays (not including legal holidays) and only between the hours of 8:30 a.m. and 5:00 p.m., and on Saturdays between 10:00 a.m. and 5:00 p.m.

(6) No article shall be placed in the halls or on the staircase landings, nor shall anything be hung or shaken from the doors, windows, terraces or balconies, or placed upon the window sills of the building.

(7) No awnings, window air-conditioning units or ventilators shall be used in or about the building except such as shall have been expressly approved by the Condominium or the managing agent, nor shall anything be projected out of any window of the building or upon the building's exterior without similar approval.

(8) No tricycles, bicycles, scooters or similar vehicles nor any roller blades or skates or skateboards, shall be allowed to be used or to stand in the public halls, the basement, passageways, roof or courtyard of the building.

Rec'd 9537 PG 2159

(9) Messengers and tradespeople shall use such means of ingress and egress as shall be designated by the condominium.

(10) Garbage and refuse from the apartments shall be disposed of only at such times and in such manner as the Board of Managers or the managing agent of the building may direct.

(11) No Unit Owner shall send any employee of the Condominium out of the building on any private business of a Unit Owner.

(12) No bird or animal shall be kept or harbored in the building unless the same in each instance has been expressly permitted by the Condominium; and such permission shall be revocable by the Condominium in response to the complaints of any Unit Owner. In no event shall dogs be permitted in any of the public portions of the building unless carried or kept on a leash. No pigeons or other birds or animals shall be fed from the window sills, terraces, balconies or in the yard, court spaces or public portions of the building, or on sidewalks or the street adjacent to the building.

(13) No radio or television aerial, nor any satellite dish, shall be attached to or hung from the exterior of the building without the prior written approval of the Condominium or the managing agent.

(14) Unit Owners shall only install dishwashers, washing machines and clothes dryers, as the board of Managers shall first approve in writing, which may be subject to plumbing and electrical improvements to be borne by the subject Unit Owner.

(15) The Condominium shall have the right from time to time to curtail or relocate any space devoted to storage or laundry purposes, if any, or to charge such fees, and require such legal releases, as the Board of Managers may require.

(16) No sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of the building, except such as shall have been approved in writing by the Condominium or the managing agent.

(17) No group tour or exhibition of any apartment or its contents shall be conducted, nor shall any auction sale be held in any apartment without the consent of the Condominium or its managing agent.

(18) The Unit Owner shall keep the windows of the apartment clean. In case of refusal or neglect of the Unit Owner for a period of Ten (10) days after notice in writing from the Condominium or the managing agent to clean the windows; such cleaning may be done by the Condominium, which shall have the right, by its officers or

authorized agents, to enter the apartment for this purpose and to charge the cost of such cleaning to the Unit Owner.

(19) Complaints regarding the service of the building shall be made in writing to the managing agent or President of the Condominium Association.

(20) No Unit Owner shall install any plantings on any balcony or roof, without the prior written approval of the Condominium. Plantings shall be contained in boxes of wood lined with metal or other material impervious to dampness and standing on supports at least two inches from the terrace, balcony or roof surface, and if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the boxes to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in masonry or hollow tile walls which shall be at least three inches from the parapet wall flashing, with a floor of drainage tiles and suitable weep holes at the sides to draw off water. It shall be the responsibility of the Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition.

(21) The agents of the Condominium, and any contractor or workman authorized by it, may enter any apartment at any reasonable hour of the day for the purpose of inspecting such apartment to ascertain whether measures are necessary or desirable to control or exterminate any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests, anytime advance notice is impractical or has been unsuccessful. If the Condominium takes measures to control or exterminate carpet beetles, the cost thereof shall be payable by the Unit Owner, as an additional charge.

(22) The roof and rear courtyard are to remain free of any and all property of any Unit Owner, their family or guests, and no portion of same shall be in any manner partitioned or blocked, so as to impede or detract from their open common use.

(23) These House Rules may be added to, amended or repealed at any time by resolution of the Board of Managers of the Condominium, as prescribed under the applicable provisions of the By-Laws.

The 305 East 4th Street Condominium
305 East 4th Street
New York, NY. 10009

I _____ acknowledge that I have received a copy of the House Rules and Building Policies for The 305 East 4th Street Condominium.

I further acknowledge that I have read these rules and policies and I agree to abide by said rules and policies.

Tenant / Unit Owner

Tenant / Unit Owner