

TitleVest Order No.: CD-NY- [REDACTED] Date: 1/19/2010  
 Applicant: [REDACTED]  
 Property Address: [REDACTED], Unit [REDACTED], New York, NY [REDACTED]  
 Purchaser: [REDACTED] and [REDACTED]  
 Seller: [REDACTED] and [REDACTED]

TITLEVEST SERVICES, LLC certifies that on January 19, 2010, it reviewed the minutes of the Board of Directors of [REDACTED] as provided by [REDACTED] of [REDACTED] for the period from 1/16/2008 to 12/9/2009 for the matters listed below. In cases where the minutes contained a reference to any such matter, a transcription or summary abstract of the applicable minutes is annexed hereto.

✓ = referenced in minutes

<p><b>Monetary Issues:</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Capital Improvements</li> <li><input checked="" type="checkbox"/> Special Assessments</li> <li><input checked="" type="checkbox"/> Maintenance/Common Charges</li> <li><input checked="" type="checkbox"/> Real Estate Taxes/Abatements</li> <li><input type="checkbox"/> Fee Changes</li> <li><input checked="" type="checkbox"/> Flip Tax</li> <li><input type="checkbox"/> Unsold Units/Shares</li> <li><input checked="" type="checkbox"/> Commercial Unit(s) (sales/leasing)</li> <li><input checked="" type="checkbox"/> Unit Owner Arrears</li> <li><input checked="" type="checkbox"/> Building Insurance Policy Claims</li> <li><input checked="" type="checkbox"/> Building Financing</li> <li><input type="checkbox"/> Land Lease</li> </ul> <p><b>Safety Issues:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Theft/Burglary</li> <li><input type="checkbox"/> Assault</li> <li><input type="checkbox"/> Tenant Complaints</li> <li><input type="checkbox"/> Security Cameras</li> <li><input checked="" type="checkbox"/> Access Card/Key Fob System</li> </ul> <p><b>Other (area(s) of concern specified by Applicant):</b></p>	<p><b>Structural Issues:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Boiler</li> <li><input checked="" type="checkbox"/> Plumbing</li> <li><input checked="" type="checkbox"/> HVAC</li> <li><input type="checkbox"/> Elevator</li> <li><input type="checkbox"/> Electrical</li> <li><input checked="" type="checkbox"/> Roof</li> <li><input checked="" type="checkbox"/> Leaks/Mold</li> <li><input type="checkbox"/> Fire</li> <li><input checked="" type="checkbox"/> Flood</li> <li><input type="checkbox"/> Landscaping</li> <li><input type="checkbox"/> Changes to Commercial Unit(s)</li> <li><input type="checkbox"/> NYC Local Law 11/98</li> <li><input type="checkbox"/> Alteration Procedure</li> <li><input type="checkbox"/> Windows</li> <li><input type="checkbox"/> Sidewalk(s)</li> <li><input type="checkbox"/> Intercom</li> <li><input type="checkbox"/> Garage</li> <li><input checked="" type="checkbox"/> Lobby</li> </ul>	<p><b>Rule Changes/Enforcement:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> By Laws</li> <li><input checked="" type="checkbox"/> House Rules</li> <li><input checked="" type="checkbox"/> Subletting</li> <li><input type="checkbox"/> Pets</li> <li><input type="checkbox"/> Title Vesting Issues</li> <li><input type="checkbox"/> Homeowners Insurance</li> <li><input type="checkbox"/> Occupancy Limitations</li> </ul> <p><b>Complaints/Disputes:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Noise</li> <li><input type="checkbox"/> Odors</li> <li><input type="checkbox"/> Vermin</li> <li><input checked="" type="checkbox"/> Pending or Threatened Litigation (against building, board, seller)</li> <li><input type="checkbox"/> Seller/Unit Specific Issues</li> <li><input checked="" type="checkbox"/> Adjacent Unit Issues</li> <li><input checked="" type="checkbox"/> Staff</li> </ul> <p><b>Building Personnel:</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Staffing Changes</li> <li><input type="checkbox"/> Tipping Policy</li> </ul> <p><b>Amenities:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Storage Units</li> <li><input type="checkbox"/> Bike Room</li> <li><input type="checkbox"/> Recreation Space (gym, pool, roofdeck, etc.)</li> </ul>
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## TitleVest Coop/Condo Board of Directors Minutes Review

### MONETARY ISSUES

#### ➤ Capital Improvements

- 12/9/09: "The board continues to discuss the engineering study provided by [REDACTED]."
- 11/11/09: "The board continues to discuss the engineering study provided by [REDACTED]."
- 10/14/09: "The board continues to discuss the engineering study provided by [REDACTED]."
- 9/16/09: Annual Shareholder's Meeting: report on coop's "capital plan and associated costs." Review of [REDACTED] report, "detailing some of the necessary and elective capital work that will be performed on the building over the coming 5 years." Board "briefly outlined a number of approaches the board is currently considering to finance the upcoming capital work", board "continues to look for the most appropriate way to finance the projects."
- 8/12/09: Board received "a comprehensive report from [REDACTED] concerning the building systems." Board reviewing report and will distribute summary at annual shareholder's meeting.
- 11/12/08: "Board approved to obtain proposals from three firms to generate a physical condition report of the building. The report will include the structure and mechanical condition of the building with a 10 (ten) year capital improvement projects that may be necessary. Goal – to have a report by Jan. 2009."
- 8/5/08: "Board decided to consider including on the capital list the costs for redoing floors in apartments [REDACTED]. In this context, Facilities committee would evaluate [REDACTED] issue for disputed work."

#### ➤ Special Assessments

- 12/9/09: "The Board unanimously approved the 2010 operating budget..... with a \$1.00 per share capital assessment to billed in four equal installments of \$0.25 in the months of March, June, September and December, and a \$0.95 per share assessment to recoup the real estate tax abatement (to be billed in April, the same month that the abatement will be credited to shareholder accounts)."
- 7/17/08: "Resolution to rescind the assessment: motion carried, seconded and passed. Public notice to be posted....to shareholders."

#### ➤ Maintenance/Common Charges

- 12/9/09: "The Board unanimously approved the 2010 operating budget with a 3.92% maintenance increase effective 1/1/2010."

## TitleVest Coop/Condo Board of Directors Minutes Review

- 4/14/08: Special meeting to discuss 2008 budget and 5-10 year capital plan: Board voted to increase the maintenance from \$0.9365/share/month to \$1.02/share/month, effective 5/1/08. "This increase approximates 10% and was necessitated by overall increases in expenses. It was noted that the last increase, except for HVAC financing, occurred 4 years ago."
  
- Real Estate Taxes/Abatements
  - 12/19/09: "The Board unanimously approved the 2010 operating budget with....a \$0.95 per share assessment to recoup the real estate tax abatement (to be billed in April, the same month that the abatement will be credited to shareholder accounts)."
  
- Flip Tax
  - 4/16/08: "The Board agreed to research how our current Flip tax compares to the Flip tax in other Manhattan Coops."
  
- Commercial Unit(s) (sales/leasing)
  - 10/14/09: "[REDACTED] escalations have been re-billed and the funds were received."
  - 9/9/09: Contract between coop and commercial unit owner "allowing him to keep his exhaust flu (connected to one of the commercial stores) in place has been executed" and coop received agreed-upon amount of \$[REDACTED]. "The plan for the exhaust line will be forwarded to the building's engineer for review."
  - 6/10/09: "Commercial owner's attorney is drafting an agreement for the right to continue to use the exhaust vent already installed. The agreement will be forwarded to corporate counsel for review."
  - 4/15/09: Transition from old managing agent to new caused discussion of garage account. 1. Capital escrow account no longer required due to changes in 80/20 rule. "The lease, while amended, has not been countersigned." To be addressed by corp counsel. 2. "Audit of the garage escalations may very well not have been properly calculated in the past several years, and could result in a substantial amount of money back to the Corporation." New audit to be performed by [REDACTED]. 3. "Difference in the allowable number of parking spaces utilized by the shareholders."
  - 4/15/09: Commercial unit owner has problems with venting system in one of the commercial units. Owner claiming rights under lease, but coop pursuing its rights as well if problems in system can't be resolved.
  
- Unit Owner Arrears
  - 4/15/09: Transition from old managing agent to new. Some apartments are in arrears, apparently from late fees added to late fees. [REDACTED] apartments have late fees going back to 2006.

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- 11/12/08: "Garage spaces will be billed in Dec. '08. Storage arrears in question."
- 4/16/08: Management "will further discuss with [REDACTED] their continual late payments."
- 3/19/08: Board to ask "[REDACTED]" whether he can provide the purchase/lease agreement signed with [REDACTED]" and "discuss with [REDACTED] their late payments."
  
- Building Insurance Policy Claims
  - 12/9/08: Management gave info to board re: insurance claims for apartments [REDACTED], [REDACTED], and [REDACTED]. Board unhappy that it wasn't informed, going forward management must inform board of all insurance issues/claims.
  
- Building Financing
  - 9/16/09: Annual Shareholder's Meeting: See "Capital Improvements" above.
  - 4/15/09: Transition from old managing agent to new. Discussion of financial audit of coop. Laundry monies not received for the past few months, even though machines have been emptied. [REDACTED] is collection firm, now sending money to [REDACTED]. See discussion of garage space income in "Commercial Units" above.

### SAFETY ISSUES

- Access Card/Key Fob System
  - 12/9/08: Super "to perform a key count and advise what if any keys are missing. This must be performed ASAP."
  - 11/12/08: "Superintendent to obtain keys for every unit for emergency access."
  - 3/19/08: Letter sent from coop attorneys to shareholders "who have not provided their apartment keys to the super." Board approved sending second letter for shareholders not providing keys by 4/1.

### STRUCTURAL ISSUES

- 11/12/08: "Board approved obtaining proposals from three (3) firms to generate a physical report of the building. The report will include the structure and mechanical condition of the building with a ten (10) year capital improvement projects that may be necessary. Goal - to have a report by January 2009."

## TitleVest Coop/Condo Board of Directors Minutes Review

### ➤ Plumbing

- 12/9/09: "Building wide [REDACTED] water survey has been scheduled for late December."
- 4/15/09: Hot water heater to be shipped 4/22. "It is hoped that this installation will correct the problem with brown water. Management advised that a water filtration may also be helpful, as it has been in other properties they manage." Board will obtain a price for filtration system.
- 4/15/09: ... "A tenant of [REDACTED] has caused a flood into apartments [REDACTED], [REDACTED] and [REDACTED]. The insurance carrier for both the owner of the [REDACTED], as well as the Corporation has been put on notice as to this damage...The Corporation's insurance carrier should subrogate against the owner and tenants of this apartment."
- 1/12/09: Board requested 3 bids for hot water heater, management presented 2, final proposal to follow. "Board decided that in regards to water testing cleaning; any cost under \$1000.00 does not require the Boards approval."
- 11/12/08: Management "to submit three (3) bids to clean the domestic water tank."

### ➤ HVAC

- 12/9/09: "A new, more powerful ventilation exhaust fan is scheduled to be delivered to the building on Monday, 12/21/09. It will be installed thereafter." [REDACTED] "will contact [REDACTED] to follow up on the cooling tower replacement project."
- 11/11/09: "The building's engineer continues to work to solve the ventilation problems." "An engineering proposal to design, bid out, implement and oversee the replacement of the cooling tower has just been received. The board will review it."
- 10/14/09: "The building's engineers are working to resolve moisture issues in the HVAC lines." "There still appear to be problems with the ventilation lines." Building's engineer continues to work on problem.
- 9/9/09: Board member "briefly discussed how the building's engineers are working to resolve moisture issues in the HVAC lines." Large ventilation blockage between second and third floor [REDACTED] line units cleared. "There still appear to be problems with the ventilation lines." Board members will be meeting with engineer to further discuss problems. "Cleaning of the remaining ventilation lines will be scheduled with [REDACTED]."
- 8/12/09: Blockage in [REDACTED] and [REDACTED] lines (both between [REDACTED] and [REDACTED] floor). [REDACTED] line cleared, engineer and [REDACTED] investigating how to clear [REDACTED] line blockage "with the least amount of damage."
- 7/8/09: "[REDACTED] and [REDACTED] are working off of a punch-list and will be completed with the installation of insulation around shut-off valves within apartments in the coming days." Board expects to receive "a report from [REDACTED] concerning the test performed on the 3<sup>rd</sup> chiller recirculation pump shortly."
- 6/10/09: "[REDACTED] and [REDACTED] have been progressing on the installation of insulation around shut-off valve within apartments." "[REDACTED] inspected the

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ventilation shafts for possible blockages. A formal report is expected within the coming days." "Two-thirds of the chiller was to be tested and found to be operating appropriately. The test will be completed after the cooling tower is filled with water."

- 5/20/09: [REDACTED] and [REDACTED] to begin on 5/26 installing proper insulation on a/c valves in all apartments. [REDACTED] "will be present to make certain that work is performed in accordance with his previous recommendations." Engineer from [REDACTED] [REDACTED] "has determined which ventilation shafts belong to which apartment lines. A camera inspection of the lines has been scheduled to begin later this week." "A chiller has been repaired and will be tested shortly."
- 4/15/09: Unspecified discussion about a leak and which contractor is responsible for damage caused by leak. Coop's insurance carrier put on notice, and board to ask management to make sure all of the contractors' insurance carriers put on notice. "Any repair work for this project cannot be done during the cooling season, as it would necessitate the entire cooling system to be shut down." Board extended deadline from 4/9/08 to 4/30/08 "for completion of the feasibility study by [REDACTED] on replacing the chiller and associated equipment."
- 1/12/09: [REDACTED] not reimbursing board for previously-purchased filters because they were custom ordered. Board agreed that designated engineer should be in place for each HVAC project.
- 12/9/08: Board requested confirmation from super that "all apartments will be inspected and are operating properly. [management] stated that (15) units have been inspected; all units will require access panels installed." Shareholder's responsibility to make sure units are accessible.
- 8/5/08: Board gave [REDACTED] partial payment for work, [REDACTED] will complete work "to resolve outstanding issues." Follow up from management to handle punch list of items and approximate costs.
- 3/19/08: Presentation of results of preliminary investigation of "costs, different approaches and timing of replacing the chiller and associated equipment." Board approved spending up to \$5,000 on complete feasibility study.
- 2/20/08: HVAC issues, installation, plumbing, etc. needs to be addressed by Board.
- 1/16/08: HVAC project update to be sent to all shareholders.
  
- Roof
  - 7/8/09: "Penetrations on the roof to be closed in the coming days."
  
- Leaks/Mold
  - 6/10/09: Super "reviewed the status of the various leaks and repairs throughout the building."
  - 5/20/09: Super "reviewed the status of the various leaks and repairs throughout the building."
  - 4/15/09: See "HVAC" above.
  - 2/10/09: Leaks over the weekend. See "Complaints/Disputes: Staff" above.

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### ➤ Flood

- 4/15/09: "A tenant of [REDACTED]" caused a flood from a running toilet, that they attempted to repair, from [REDACTED] into [REDACTED] and [REDACTED]. Insurance carrier for owner of [REDACTED] and for corp put on notice of damage. "The corporation's insurance carrier should subrogate against the owner and tenant of this apartment." Management reviewing apartments.

### ➤ Lobby

- 12/19/09: "The Board approved the purchase of lobby tables. All furniture and rugs will be installed in the lobby at the same time."
- 11/11/09: New rugs received, board continues to search for lobby tables.
- 5/20/09: Board member to speak with a designer about lobby.
- 11/12/08: "[REDACTED] to advise super in respect to lobby planting."

## RULE CHANGES/ENFORCEMENT

### ➤ House Rules

- 5/20/09: Board agreed that all delivery companies requiring access to building above lobby level have to provide property manager with certificate of insurance. Board sending notice of new rule to shareholders.
- 8/5/08: "Board decided that the chain of command for all shareholder complaints or requests be as follows: Shareholder contacts the Board Ombudsman who notifies the Management Property Manager who directs the Superintendent who distributes the request to staff. Board needs to define what level of Shareholder requests to be handled in this manner due to volume."

### ➤ Subletting

- 4/15/09: "The sublet request for [REDACTED] was discussed - After a motion made, and seconded it was hereby resolved to approve the request for sublet, based on the one year rule guidelines in the House Rules, providing they mesh with the Proprietary lease guidelines."
- 11/12/08: "Discussed sublets.....Board agreed to compare the unit owners list with the package list to address sublet discrepancy."
- 4/16/08: "The Board will further investigate the problem of unauthorized Subletting". "Board agreed to ask the Shareholders to vote on including a sublet clause in the Proprietary Lease. The sublet clause would be similar to the one currently included in the Rules and Regulations."

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### COMPLAINTS/DISPUTES

- Pending or Threatened Litigation (against building, board, seller)
  - 6/10/09: "Management and the board have received notice that the shareholder in [REDACTED] has filed a suit in New York City Housing Court. It has been turned over to Corporate Counsel."
  - 5/20/09: Board and management received order to show cause from [REDACTED]. Turned over to corp counsel.
  - 5/20/09: [REDACTED] request discussed for coop to install pavers on her terrace. No progress made yet.
  - 4/15/09: [REDACTED] requested coop to install pavers on her terrace, corp counsel wrote her a letter that she has no legal rights to demand. [REDACTED] asserts terrace is limited common element that she has right to use but corp has to maintain. Board concerned that insurance may not cover issue, and discussed pre-litigation numbers. No discussion with counsel yet.
  - 2/10/09: [REDACTED] claim discussed. Board will revisit area and present photos at next meeting.
  - 1/12/09: [REDACTED] presented her case to board.
  - 12/9/08: Subcommittee formed to handle [REDACTED] claim.
  - 12/9/08: "[REDACTED] – Awaiting report from [REDACTED]. All legal bills associated with the [REDACTED] are required from [REDACTED]."
  - 11/12/08: "[REDACTED] – Board has been advised by counsel to bring the unit to habitable state."
  - 9/9/08: [REDACTED] – Lengthy discussion about issue. Shareholder "claimed that there was a work stoppage, but both the board and management did not stop the work." "A lengthy discussion was held about amounts offered and changed and a final agreement was made for \$[REDACTED] to be paid out to [REDACTED] from the building. She would then pay her arrearage of \$[REDACTED] less late fees. This final agreement was accepted and signed by the board and [REDACTED]. [REDACTED] will forward the final amount after late fees are reversed. Payment from the board and [REDACTED] was scheduled for September 15<sup>th</sup>."
  - 8/5/08: "[REDACTED]: HVAC related issue." Board told [REDACTED] shareholder to submit final proposal for terrace repairs to board for review and approval before commencing work on terrace.
  - 4/16/08: "Board approved legal council initiate action against... [REDACTED] for her maintenance charges in arrears." "Board agrees to settle with [REDACTED] for \$[REDACTED]." Board "will inform the lawyers representing... [REDACTED] that the coop is not taking any further action on his request."
  - 3/19/08: Board to discuss with legal counsel details of agreement with [REDACTED] regarding maintenance arrears and possible settlement with [REDACTED].



## TitleVest Coop/Condo Board of Directors Minutes Review

### ➤ Adjacent Unit Issues

- 11/12/08: See "Subletting" above. "Once the sublets throughout the building are clear a letter to [REDACTED] should be sent enforcing the sublet policy."

### ➤ Staff

- 5/20/09: "Grievance between the Corporation and [REDACTED] was settled in the amount of \$[REDACTED] gross. [REDACTED] signed a Stipulation Agreement and General Release. The grievance brought on by [REDACTED] will be resolved by [the board] in the coming weeks."
- 4/15/09: Grievance hearing for [REDACTED] and [REDACTED] put over for future date. "Concern was that the super is on vacation and the new management team has no first hand knowledge of these incidents. In the best interest of the Corporation, the superintendent should be in attendance." Management to contact prior management company to get "copies of the backup photos pertaining to these terminations."
- 2/10/09: "Board questioned management as to the protocol of [the super] when handling building leaks over the weekend, and the use of [REDACTED]. The board directed management to issue a warning letter to [super] for failure to follow protocol for after hour emergencies."

## BUILDING PERSONNEL

### ➤ Staffing Changes

- 12/9/09: [REDACTED] – last day is December 31, 2009. [REDACTED] "will set up superintendent interviews for the board committee."
- 9/20/09: New board members sworn in.
- 8/12/09: Change to doorman uniform to not require gloves and sometimes jacket in hot weather.
- 7/8/09: Approval of installation of hand-recognition punch time clock.
- 4/15/09: Transition of files from [REDACTED] is taking place. Board will follow up with [REDACTED] at end of month to discuss any monies being withheld to cover outstanding bills. [REDACTED] auditors will monitor [REDACTED] financial records pertaining to all accounts of this building.
- 7/17/08: New officers elected to Board.

## TitleVest Coop/Condo Board of Directors Minutes Review

### General Maintenance

- 11/11/09: The staff is working on [REDACTED] floor, repainting apartment entrance doors, and will continue, floor by floor, down the building.
- 10/14/09: Building's trash chutes scheduled to be cleaned at end of the month.
- 9/9/09: "The basement doors will be painted over the coming weekend."
- 12/9/08: Management will order window guards, super will install.

### AMENITIES

#### Miscellaneous

#### Laundry Room

- 8/12/09: "The laundry room has been completed and is open."
- 7/8/09: "Laundry room will be renovated by [REDACTED] and is scheduled to be open for use on Saturday, July 11, 2009."
- 6/10/09: Proposal for upgrade of laundry room executed.
- 5/20/09: New machines to be installed, property manager waiting for "revised proposal for the replacement of the HVAC unit in the laundry room."

#### Coop Website

- 12/9/09: "The board continues to research building website options."
- 11/9/09: "The board continues to research building website options."
- 10/14/09: "The board is researching building website options."

#### Cable

- 8/12/09: "[REDACTED] will begin the installation of a dedicated riser through the stairwell from the basement to the Penthouse floor. [REDACTED] services is anticipated to be available by September 30, 2009."
- 5/20/09: [REDACTED] agreement executed.

# TitleVest<sup>®</sup> Coop/Condo Due Diligence Questionnaire

PLEASE COMPLETE AND FAX BACK TO 212-757-0466 OR EMAIL TO INFO@TITLEVEST.COM

Coop/Condo Name: _____	Managing Agent: _____
Property Address: _____ _____	Contact Person: _____
Purchaser: _____	Address: _____ _____
Seller: _____	Tel: _____ Fax: _____
TitleVest Order#: _____	Email: _____

Unit # (if different from above): \_\_\_\_\_ Total # of Units: \_\_\_\_\_ Proprietary Lease Expires on: \_\_\_\_\_ 12/31/2031

Number of Shares/% Common Elements ("CE"): \_\_\_\_\_ 740 Maintenance/Common Charges (monthly): \$ \_\_\_\_\_ 784.40

Financing Allowed (as % of purchase price): \_\_\_\_\_ 80% Owner-Occupied (as % of total # units): \_\_\_\_\_ 117

Sublets (as % of total # units): \_\_\_\_\_ 2 Sponsor-Owned (as % of total # units): \_\_\_\_\_ 27

- What was the percentage of maintenance or common charge increases, if any, for the last 3 years:  
Year: 2010 : 3.92% Year: 2009 : \_\_\_\_\_ % Year: 2008 : 10 %
- What was the amount of special assessments, if any, for the last 3 years:  
Year: 2010 : \$1.00 /Share or %CE Year: \_\_\_\_\_ : \_\_\_\_\_ /Share or %CE Year: \_\_\_\_\_ : \_\_\_\_\_ /Share or % CE
- Are there any special assessments currently in effect? \$ \_\_\_\_\_ NO \_\_\_\_\_ /Share or %CE, until \_\_\_\_\_,  
for \_\_\_\_\_
- Are there any new increases in maintenance/common charges or special assessments planned? (if yes, please describe) \_\_\_\_\_ NO
- Are there any anticipated capital improvements planned, but not yet funded? (if yes, please describe) \_\_\_\_\_  
See #13.
- Is there any litigation pending, anticipated or threatened vs. coop or condo, not covered by insurance? (if yes, please describe) \_\_\_\_\_ NO
- Have the house rules been revised since the original offering?  Yes  No (If yes, please provide TitleVest a copy of the latest rules.)
- What is the sublet policy? application and board approval needed - See attached Housing Rules for complete details.
- Is the sponsor still involved in this building?  Yes  No If yes, does it still own more than 10% of the units?  Yes  No  
(If yes, please provide TitleVest a copy of the recent amendments filed with the Attorney General's office.)
- What is the building's policy regarding pets? pets allowed - must use freight elevator
- What is the current reserve fund balance this year \$ 650,000.00 vs. last year \$ \_\_\_\_\_
- Is there a "Flip Tax"?  Yes  No If yes, how much is it? \$ 2.25/share Who pays?  Seller \_\_\_\_\_ %  Buyer \_\_\_\_\_ %
- Is there anything else that a buyer of one of the units should be aware of? (e.g. problems with boilers, elevators, sidewalks, roof, façade, ground lease, etc.) \$ 4.5 million worth of work to be done over a 5 year term, financing as yet undetermined.

# **Terms and Conditions**

## **of TitleVest's Coop/CondoBoard of Director Minutes Review and Due Diligence Questionnaire ("Review")**

TITLEVEST SERVICES, LLC ("TitleVest"), in consideration of the payment of its charges, certifies the attached Review to the Applicant and the Purchaser only, upon the express understanding and agreement as follows:

- a) TitleVest's charge for the Review is due and payable on or before the closing of title to the coop or condo or ninety (90) days from the date of the Review, whichever is sooner, and whether or not the transaction for which the Review was ordered actually occurs. It is a condition to TitleVest's obligations hereunder that all payments required for the Review are paid when due.
- b) The Review is limited to the matters set forth in the Review which appear in documents actually furnished or exhibited to TitleVest by the Board of Directors (including its representatives and managing agent, hereinafter collectively referred to as "Board"). TitleVest shall have no liability with respect to the failure of the Board to furnish or exhibit any document to TitleVest or for any incomplete or inaccurate documents or information received from any Board.
- c) TitleVest shall not be liable for any expenses or damages voluntarily assumed or agreed to be paid for by the Purchaser or Applicant in settlement of any claim or suit involving the Review without TitleVest's prior written consent.
- d) TitleVest's sole liability shall be for out of pocket damages sustained by Purchaser caused by TitleVest's negligent failure to report any of the matters listed on the Review which appeared in documents furnished or exhibited to it by the Board, of which the Applicant or Purchaser did not have actual or constructive knowledge. TitleVest's liability is limited to the sum of TWENTY-FIVE THOUSAND (\$25,000.00) DOLLARS in any event.
- e) It is a condition of TitleVest's liability, if any, that the Applicant or the Purchaser notify TitleVest, in writing, within ten (10) business days after becoming aware of any alleged error or claim involving the Review and within one (1) year from the date of the Review, in any event.
- f) If TitleVest receives notification of an alleged error or claim, TitleVest shall have the right, but not the obligation, to investigate such error and defend any claim.
- g) As an accommodation to the Applicant and the Purchaser only, and without charge or liability, TitleVest agrees to furnish to the Board the attached Due Diligence Questionnaire. TitleVest makes no representation that the Board will submit answers to the questions, or whether any such answers, will be complete, true or correct.

**TITLEVEST SERVICES, LLC**

Order No.: [REDACTED] Date: 1/19/2010

By:   
(Authorized Signature)