

KYROUS REALTY GROUP, INC.

263 West 38th Street ♦ Suite 15E ♦ New York, NY 10018

Phone: 212.302.1500 ♦ Fax: 212.302.3855

Unadilla Owners Corp. – Alteration Policy

The following documents must be submitted to the office of the managing agent; Kyrous Realty Group, Inc., 263 West 38 Street, Suite 15E, New York, NY 10018.

1. Completed & Signed Alteration Agreement. A fully executed Agreement will be returned to you upon Board approval.
2. Five full sets of architectural plans plus PDF drawings on a flash drive.
3. Processing Fee: – For alterations costing less than \$25,000.00 Shareholder will remit an alteration processing fee of \$250.00 payable to Kyrous Realty Group, Inc. For alterations costing between \$25,000.00 and \$100,000.00 Shareholder will remit an alteration processing fee of \$500.00 payable to Kyrous Realty Group, Inc. For all alterations costing greater than \$100,000.00 Shareholder will remit an alteration processing fee of \$1,000.00 payable to Kyrous Realty Group, Inc.
4. Alteration Deposit: – Shareholder must remit a Security Deposit in the amount of ten percent (10%) of the project value (including contractor and sub-contractor costs) or \$5,000 whichever is greater and complete an IRS Form W-9 for purposes of establishing a security deposit account at a financial institution. Please make check payable to Unadilla Owners Corp.

Upon approval and prior to commencement of work, the following documents must be submitted.

1. Contractor's Certificate of Insurance: See Alteration Agreement-Exhibit A for insurance requirements.
2. Signed Contractor's Letter
3. Completed Indemnification Agreement signed by contractor(s).
4. Copy of contractor(s) license.

Additional Terms and Conditions

Please see Alteration Fees and Procedures for additional information.

ALTERATION AGREEMENT
UNADILLA OWNERS CORP.

This Agreement, made as of this ____ day of _____, 20__, between UNADILLA OWNERS CORP. (the "Corporation") with an address c/o Kyrour Realty Group, Inc., 263 West 38th Street, New York, New York 10018 ("Managing Agent") and _____ (the "Shareholder") having a mailing address of _____.

WITNESSETH:

WHEREAS, the Shareholder hereby requests permission to make/install the equipment and/or make the alterations in the apartment (the "Apartment") (Apt. #__) at 126 West 11th Street, New York, New York, as described in the accompanying plans and specifications (the "Work"); WHEREAS, in order to obtain the Corporation's consent to the Work as required under Paragraph 21 of the proprietary lease (the "Lease") between the Shareholder and the Corporation, the Shareholder agrees to comply with the terms of the Lease and the obligations and policies of the Corporation, including but not limited to, applicable House Rules.

Painting, plastering, refinishing of floors and replacing of appliances with no change of location or no change to electrical or power except for connections does not require review by the building's engineer, however, this application must be submitted for board approval. The board, at its discretion, reserves the right to consult with the building's engineer and/or to request a review of work being performed, or an inspection of the premises prior to approving said work, at the shareholder's expense.

NOW, THEREFORE, in consideration of the covenants contained herein and other good and valuable consideration the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

I Tenant Alteration Agreement:

NOTE: For any painting and/or stripping tenant to abide by rules set forth in section ii 1-7 and Section III contractor rules in addition to rules set forth herein Section I 1-24 all regulations and guidelines within this document will be strictly adhered to

1. Shareholder's Submissions. Shareholder herewith delivers to the Corporation:

- a. detailed plans, specifications and drawings of the Work, including a room-by-room list of all alterations to be undertaken, and detailed plans and specifications (the "Plans") prepared by a licensed architect or engineer (if the nature of the alteration so requires), which shall not be modified by the Shareholder after they are approved by the Corporation's architect or engineer (the "Corporation's Designated Engineer") without the Corporation's Designated Engineer's subsequent approval.
- b. A check with respect to the security payable in connection with this Agreement in the sum of \$ _____ payable to the Corporation in accordance with paragraph 13 of this Agreement, if applicable.

- c. a check in the sum of \$250.00 payable to Kyrous Realty Group, Inc., managing agent for the Building (the "Managing Agent") as a processing fee in connection with this request and the Work, if applicable.

2. Corporation's Review of Work as Proposed. Shareholder acknowledges that the Corporation's Designated Engineer may at Shareholder's expense, (a) review the Plans for the Work and (b) from time to time observe the Work to ensure that the Work conforms to the approved Plans and is otherwise in conformity with the requirements of this Agreement. Shareholder shall provide access to the Apartment, from time to time, to permit the Corporation's Designated Engineer, the Managing Agent, the superintendent of the Building, or any other person the Corporation may authorize, to observe and inspect the Work. Shareholder shall make all corrections specified by the Corporation as a result of such inspections, necessary to bring the Work into conformity with the Plans. The Corporation's failure to inspect shall not be considered a waiver of the Shareholder's obligation to comply with this Agreement and the approved Plans. The Corporation shall notify the Shareholder as to when inspections will be required. Shareholder shall promptly correct all parts of the Work (whether or not such work is fabricated, installed or completed) rejected by the Corporation because of its failure to conform to the Plans and specifications previously approved by the Corporation or with the requirements of this Agreement or the laws, rules, orders or regulations of any governmental authority having jurisdiction over the Building or which violates any policy of insurance maintained by the Corporation. Shareholder shall bear all costs of correcting such rejected parts of the Work, including the compensation for additional services to the Corporation of any architect or engineer made necessary thereby.

3. Pre-Conditions to Commencement of Work by Shareholder. Shareholder agrees:

- a. Prior to beginning the Work, to provide the Corporation with complete and conformed copies of every agreement made with contractors, subcontractors and suppliers;
- b. If required by laws, rules, orders or governmental regulations or the Corporation's Designated Engineer, to file plans, forms or applications (including without limitation any asbestos-related forms filed in support of any applications) with, and procure the approval, permits, licenses, consents of all governmental agencies having jurisdiction over the work including, but not limited to, the New York City Buildings Department, the Board of Fire Underwriters and the Landmarks Preservation Commission, and, not more than ten (10) business days after receipt of such approval, to deliver to the Corporation a copy of every permit or certificate issued. The determination of the Corporation's Designated Engineer as to the need for any such approval shall be conclusive;
- c. At the completion of the Work, the Shareholder will deliver to the Corporation an amended certificate of occupancy and a certificate of the Board of Fire Underwriters, if either be required, and such other proof as may be necessary to indicate that all Work has been

done in accordance with all applicable laws, ordinances and government regulations, together with a statement from the architect or engineer who signed the Shareholder's Plans that the work has been executed in accordance with those Plans. If an amended certificate of occupancy or certificate of the Board of Fire Underwriters is not required, the Shareholder's Designated Engineer must submit a statement to that effect. The determination of the Corporation's Designated Engineer as to the need for an amended Certificate of Occupancy shall be conclusive.

- d. To procure from Shareholder's contractor or contractors the insurance policies described on Exhibit "A" attached hereto, which policies shall name the Corporation, the Corporation's officers, directors, shareholders, Designated Engineer, the Managing Agent, and Shareholder, as parties insured. Such policies shall provide that they may not be terminated until at least ten (10) days after written notice to the Corporation. All such policies or certificates evidencing the issuance of the same shall be (i) with companies that are reasonably acceptable to the Corporation, and (ii) delivered to the Corporation before the work commences.

4. Shareholder to Give Notice of Actual Commencement of work. Prior to commencing the Work, Shareholder shall give at least five (5) days' written notice to the Corporation's Designated Engineer, the superintendent of the Building and the Managing Agent of the date the Work shall commence and the estimated date of substantial completion.

5. Work Done at Shareholder's Risk. Any damage to the Apartment or other areas of the Building, including, but not limited to the common structure, infrastructure, mechanical systems equipment, elevators, doors and finishes of the Building, caused by or resulting from the Work, shall be covered by the insurance coverage required of Shareholder, or Shareholder's contractor(s) or subcontractor(s), as the case may be. However, the existence of such insurance shall not relieve Shareholder of liability therefor. If the Managing Agent advises Shareholder of any damage, which in the Managing Agent's opinion, was caused by the Work, Shareholder shall promptly submit such claim to Shareholder's insurance carrier and to Shareholder's contractor(s) or subcontractor(s) for submission to their insurance carrier, as appropriate. Shareholder agrees to use all reasonable efforts, and to cause the contractor(s) and subcontractor(s) likewise to use all reasonable efforts, to cause any insurance carrier insuring Shareholder or Shareholder's contractors or subcontractors to expeditiously review and settle damage claims for which they are responsible.

Any damage caused by construction to neighboring apartments shall be repaired by the shareholder. In case shareholder is notified by a neighbor of damage to an apartment that the shareholder believes to have not been caused by the construction, shareholder is to notify its insurance carrier forthwith, together with proof thereof to the managing agent. Shareholder to be responsible for the maintenance and repair of the work after completion, including all heating, plumbing, air-conditioning and other equipment installed or altered by Tenant.

The owner understands and agrees that at its own cost and expense, as part of the renovation work being performed, it must, to at least the minimum standards proscribed by the City of New York:

- a. replace all water supply piping leading from the vertical risers to each plumbing fixture being relocated or replaced as part of the Work.
- b. install a new circuit breaker panel in the apartment and then install new wiring from that panel to each fixture, appliance or outlet in any room in which electrical is being modified as part of the Work.
- c. under any washing machine that may be installed in the unit, furnish and install a commercially made pan to catch any water leaks or spillage. Said pan must be properly connected to the building's waste lines.
- d. install new thermal insulation [R-11 minimum] in all exterior walls that are being opened up as part of the Work.
- e. install new sound insulation in all walls between public portions of the building and between apartments to the minimum proscribed by applicable municipal regulations as applied to any walls that are being opened up as part of the Work.

The Cooperative will not guarantee or warrant the sufficiency of heating, hot water or electrical service for any proposed alterations. Further, if the Cooperative is required to undertake, now or in the future, any building, structural or within-the-walls repair work to the building through Tenant's apartment, the Cooperative will return the apartment to its pre-existing condition, at building standard, and shall not be responsible in any manner for damage to, or replacement of, apartment improvements beyond building standard (such as wallpaper, high-end tiles, color paint, high-end plumbing fixtures).

6. Indemnification by Shareholder. Shareholder hereby indemnifies and holds harmless the Corporation, the Corporation's Designated Engineer and employees, the Managing Agent, and other shareholders and residents of the Building against any damages suffered to persons or property as a result of the Work. Shareholder shall reimburse the Corporation, the Corporation's Designated Engineer, Managing Agent, and other shareholders and residents of the Building for any losses, costs, fines, fees and expenses (including, without limitation, reasonable attorney's fees and disbursements) incurred as a result of the Work and/or the Shareholder's or any contractor's or consultant's failure to conform with this Agreement or any law or ordinance and which may be incurred by the Corporation in the defense of any suit, action, claim or violation in connection with the Work or the abatement thereof.

7. All Costs Associated with Work Done at Shareholder's Expense. Shareholder accepts sole responsibility for the Work and for all costs in connection with the Work. If the Corporation obtains legal, engineering or architectural advice either prior or subsequent to granting permission for the Work, Shareholder agrees to reimburse the Corporation, on demand, for any reasonable fees (including attorney's fees) incurred. Shareholder understands and agrees that all costs of labor, equipment

and materials incurred by the Corporation, shall be charged to Shareholder as additional rent under the Lease.

8. Shareholder's Contractor to Cooperate with Building Labor. All of Shareholder's contractors and subcontractors shall employ only such laborers as shall not conflict with any of the trade unions employed in the Building or otherwise cause disharmony with any Building service union. The Contractor shall acknowledge this Agreement and agrees to, and shall cause all subcontractors to abide by all of the rules and regulations of the Corporation by signing the agreement annexed hereto as Exhibit C.

9. Shareholder's Responsibility for Consequences of Work. Shareholder and any successor-in-interest assume(s) all risks of damage to the Building and its mechanical or electrical systems, and to persons and property in the Building which may result from or be attributable to the performance or existence of the Work and the maintenance and repair of any alterations and installations in the Apartment after completion. This responsibility covers all aspects of the Work, whether or not structural, including without limitation, weather-tightness of windows, exterior walls or roofs, waterproofing of every part of the Building directly or indirectly affected by the Work, and maintenance of all heating, plumbing, air conditioning and other equipment installed or altered pursuant hereto. If the operation of the Building, or any of its equipment, is adversely affected by the Work, Shareholder, when so advised, shall promptly remove or correct the cause of the problem as determined by the Corporation. Shareholder agrees that any air conditioning units, terrace plantings and/or structures, wherever located in the Building, may be removed by the Corporation for the purpose of repairs, upkeep or maintenance of the Building, at the sole expense of the Shareholder. If the Shareholder does not promptly remove or correct the problem, the Corporation may have the problem corrected and the Shareholder shall be liable for all costs and expenses incurred therein.

10. Prohibited Construction Methods. Shareholder will not interfere or permit interference with the Building's intercom system, gas, electric, plumbing or any other service. Shareholder agrees that exterior masonry walls shall not be penetrated.

11. Completion of Work. The Shareholder shall use the Shareholder's best efforts to ensure that the Work is completed expeditiously, but in any event all Work shall be completed within an aggregate of _____ working days from the date of commencement of the Work, or such other period as the Corporation, in writing, designates (the "Completion Date"). The Corporation expresses no opinion regarding the feasibility of completion of the Work within this time period. No Work other than decorative work, such as painting, wallpapering or carpeting, may be continued beyond the Completion Date without the Corporation's specific written consent. If the Work shall not have been completed by the Completion Date, the Corporation shall be entitled to apply, from the security funds provided pursuant to paragraph 1(b) of this Alteration Agreement, the sum of \$_____ per day for each calendar day the Work remains incomplete. These amounts are acknowledged to be liquidated damages, and not a penalty, to compensate the Corporation and the Corporation's shareholders for the costs and inconvenience of the continuation of the Work, it being understood that the damages caused by continuation of the Work would be difficult to determine. The Corporation's application of the security funds provided pursuant to paragraph 1(b) of this Agreement as aforesaid shall be without prejudice and in addition to all other

remedies the Corporation may have. If the security funds provided pursuant to paragraph 1(b) are fully applied, the Shareholder agrees to pay all amounts due under this paragraph to the Corporation in weekly installments. The determination of whether the Work is completed shall be made by the Corporation, and the Corporation's determination shall be conclusive. The Shareholder agrees that any consent by the Corporation to perform Work after the Completion Date may be revoked by the Corporation immediately if the Shareholder fails to comply with any requirement of this Agreement or extension of the Completion Date.

12. Work Hours and Noise. The Work shall be performed, only between the hours of 9:00 a.m. and 4:00 p.m. Monday through Friday; provided however, that "noisy work" which may disturb other residents shall not be performed before 11:00 a.m., Monday through Friday. The Work shall not be performed on Saturdays, Sundays and holidays. The Corporation shall be the sole arbiter should there be any doubt as to noise levels which may be disturbing. All supplies and materials to be delivered within the above time. Cleaning of hallways and public spaces may continue until 5:00 PM.

13. Shareholder's Security Deposit. As security for the faithful performance and observation by Shareholder of the terms and conditions of this Agreement, Shareholder has deposited the sum indicated in paragraph 1(b) with the Corporation. In the event that Shareholder or persons engaged by Shareholder to perform the Work cause loss, cost or expense to the Corporation, including without limitation any loss, cost or expense arising from or relating to (a) the fees of the Corporation's Designated Engineer to review the plans and specifications or to review from time to time the progress of the Work; (b) the fees of the Corporation's attorneys engaged in the event of Shareholder's breach or alleged breach of the provisions of this Agreement, or otherwise in connection with the Work; (c) damage to the flooring, walls, fixtures and/or ceiling in the Building's hallways or to any common area (including without limitation, the cost of cleaning, shampooing, painting or repairing the same if soiled or otherwise damaged); (d) delays in completion of the Work, as more specifically referred to in Paragraph 11 of this Agreement, or (e) any other expenses incurred by the Corporation in connection with any complaints or breach of this Agreement. Shareholder agrees that the Corporation may use, apply or retain the whole or any part of the security so deposited and the interest earned thereon, if any, to the extent required for the payment thereof. If the deposit is diminished by one-half of the original amount, Shareholder shall replenish it to the full amount within (3) days after written demand. Shareholder's failure to so replenish the security deposit shall be a material breach of this Agreement and shall entitle the Corporation to stop the Work, and/or exercise any remedies it has hereunder. If Shareholder shall comply with all of the terms and conditions of this Agreement, the security deposit and interest or remaining balance thereof, if any, shall be returned to Shareholder.

14. Accessibility. Shareholder agrees that all water, steam, and gas valves will be reasonably accessible. If any portion of the Work should enclose such valves, contrary to the provisions of this Agreement, if requested by the Corporation's Designated Engineer, such portion shall be uncovered at Shareholder's expense for observation. Such enclosure shall be opened and replaced at Shareholder's expense.

15. Use of Public and Common Areas During Work. Shareholder will not allow the halls, sidewalks, courtyards and other public areas to be used for the storage of

building materials or debris and agrees that the floors of all public spaces to be used in connection with the Work will be covered with construction paper during the Work. Floors of the elevator to be covered with if the Work marks or damages the hall, stairs, or elevators, the Corporation may repair them at Shareholder's expense upon the completion of the Work. Shareholder will take or cause their contractors to take all precautions necessary to prevent damage to the carpeting and wallpaper in the Building's hallways, elevators (including the doors and appurtenances) and to other common areas during the progress of the Work. If Shareholder shall fail to promptly perform any repair, Shareholder shall promptly pay all reasonable bills for such repairs.

All elevator pads to be used whenever elevator is in use and to be removed immediately after use of elevator.

All access to the building shall be through basement. The ground floor lobby is not to be used for materials, supplies or removals of

16. Shareholder to Maintain Certain Safety Precautions. Shareholder agrees that functioning fire extinguishers and smoke alarms will be maintained in the Apartment during the Work. Shareholder agrees that the Work shall not block access to any fire exits in the Building. Shareholder shall have smoke detectors installed within 15 feet of every sleeping area on the ceiling or wall pursuant to Local Law 62 of 1981 of the City of New York, and Shareholder shall install window guards if a child or children under 10 years old lives or resides in the Apartment pursuant to the New York City Health Code.

17. Shareholder to Control Refuse, Dirt, Dust, Lead Based Paint, etc.

- a. All precautions will be taken by Shareholder to prevent dirt and dust from permeating other parts of the Building during the progress of the Work. Materials and rubbish will be placed in barrels or bags before being taken out of the Apartment. All such barrels or bags, rubbish, rubble, discarded equipment, empty packing cartons and other materials will be taken out of the Building and removed from the Apartment at Shareholder's expense. Shareholder recognizes that the elevator may be used for such removal and only at such times as the superintendent of the Building may direct. Shareholder shall not permit any dumpster or garbage container to be left for more than five (5) consecutive days. Notwithstanding the foregoing, the placement of any dumpsters must comply with all governmental regulations, including without limitation, obtaining any necessary permits.
- b. The Federal Task Force on Lead-Based Paint Hazard Reduction has recommended certain maintenance practices, including (1) limiting access to the work area to only workers, (2) isolating the work area with polyethylene plastic or equivalent, (3) protecting the workers, (4) protecting the Shareholder's belongings by covering or removing them from the work area, (5) wetting the painted surfaces before disturbing the paint and (6) wetting the

debris before sweeping. The Task Force has indicated that certain removal practices are unsafe, including (1) open flame burning, (2) power sanding or sandblasting (unless a special vacuum attachment is used to contain dust), and (3) dry scraping more than a de minimis surface area (de minimis means an area of less than one square foot per room). The Shareholder shall cause the Shareholder's contractors and/or workers to perform their work consistently with the recommendations of the Task Force and shall upon completion of the work perform specialized cleaning of the work area using methods designed to safely remove dust and debris which may contain lead.

- d. No more than sixty (60) days prior to beginning renovation activities in the Apartment, the contractor shall provide the Shareholder with the Environmental Protection Agency (the "EPA") pamphlet entitled, Protecting Your Family from Lead in the Home, (the "Pamphlet"). If the Apartment is occupied by other than the Shareholder, the contractor shall provide the occupant with the Pamphlet. The contractor shall be responsible for obtaining the Shareholder's or the occupant's written acknowledgment of receipt of the Pamphlet or a certificate of mailing evidencing same. The Shareholder hereby acknowledges that the Corporation has no liability or obligation in connection with this notification requirement of the EPA.

18. Shareholder to Comply with Laws, etc. Shareholder shall not do or permit any act or thing to be done contrary to law, or which will invalidate or be in conflict with any provision of any liability, multi-peril casualty or other insurance policies carried by Shareholder or for Shareholder's benefit. Shareholder shall comply with all federal, state and local laws, rules and regulations pertaining to asbestos and other hazardous material, as the same have been or may be promulgated, supplemented or amended from time to time prior to and during the abatement-work.

19. Acceptance of Responsibility by Shareholder and Shareholder's Successor in Interest.

- a. The Shareholder releases the Corporation, the Managing Agent, the Corporation's agents and employees from any liability for damage to the portions of the Apartment affected by the Work which may occur in the performance of building maintenance repairs. Notwithstanding anything to the contrary contained in the Lease, the Shareholder accepts sole responsibility for the Work and costs in connection with the maintenance, repair, restoration or replacement of any portions of the Apartment affected by the Work, and acknowledges that such responsibility shall pass to the Shareholder's successor-in-interest in the Apartment.
- b. Shareholder or Shareholder's successor-in-interest (i) shall advise each subsequent purchaser of Shareholder's interest in the Corporation's shares appurtenant to the Apartment (a "Purchaser") of the Work undertaken by the Shareholder and the Purchaser's

obligations under this Agreement; (ii) shall provide copies of the Plans and this Agreement to the Purchaser; (iii) shall waive any claim or cause of action against the Corporation, the Board of Directors or the Managing Agent, for advising a potential Purchaser of the obligations of the owner of the Apartment under this Agreement, (iv) have the Assumption of Alteration Agreement, in substantially the same form annexed as Exhibit B, executed by any successor-in-interest.

20. Work is of Shareholder's Sole Design. Shareholder recognizes that by granting consent to the Work, the Corporation does not express any opinion as to the design, feasibility or efficiency of the Work.

21. Miscellaneous. This Agreement may not be changed orally. This Agreement shall be binding on legal representatives, successors and authorized assigns. Captions are for the purposes of convenience of reference only and are not to be considered in interpreting this Agreement.

22. Shareholder's Breach and Corporation's Remedies. Shareholder's failure to comply with any of the provisions hereof shall be deemed a breach of the provisions of the lease, pursuant to which the corporation's consent has been granted, in addition to all other rights, the corporation may also suspend the work and prevent workers from entering shareholder's apartment for any purpose other than to remove their equipment. In such event, the corporation may also revoke permission for shareholder to undertake the work. Any deviation from the work approved in this alteration agreement shall void in its entirety the permission granted herein.

23. Permission. By executing this Agreement the Corporation is granting permission to the Shareholder to perform the work pursuant to the Plans and this agreement. This permission can be revoked at any time on written notice to the Shareholder as a result of Shareholder's or its agent's violation of the terms of this agreement. The Corporation also agrees to perform its obligations under this agreement.

24. For any paint or finish stripping please refer to Non-Alteration agreement below

Unadilla Owners Corp.
By:

Shareholder

Shareholder

II Non-Alteration Agreement:

1. "Stripping" refers to stripping as well as sealing/finishing.
Stripping may only be done Mon - Fri and must be finished by 2 PM.
2. Entrance doors to be sealed with plastic and tape and to be kept shut except when required for workers to enter or exit. The contractor must secure plastic sheeting to cover the doorway opening (to maintain an airtight condition) of the apartment where work shall be performed, taping same securely in place, open all available windows and create negative room pressure with fans in each room of the apartment.
3. No deliveries on days when stripping takes place.
4. All windows to be kept open and minimum three exhaust fans to be placed in windows at maximum speed and to be kept running 24 hours a day during stripping and at least 72 hours after.
5. All windows to be kept open for minimum 72 hours. GC to coordinate re weather issues.
6. All shareholders and tenants must be notified at least 48 hours before any work is started that may give off noxious odors or fumes (i.e. paint stripper, floor scraping, etc).
7. The tenants and shareholders shall be notified by posting a notice on the building's bulletin board.

III Contractor Rules:

NOTE: for any painting and/or stripping tenant to abide by rules set forth in Section II 1-7 above in addition to rules set forth herein Section III 1-22 all regulations and guidelines within this document must be strictly adhered to

1. All electrical work is to be performed by a properly licensed electrician, and all plumbing work is to be performed by a properly licensed plumber only.
2. Any water, gas or electrical shut downs in the building, must be pre-arranged with the Managing Agent. Any non-emergency shut downs require 48 hour notice to all residents.
3. Before removing any walls, the Contractor must certify to the Cooperative in writing that the walls being removed are not load-bearing, and do not contain lead paint nor asbestos.
4. When the work is finished, if any walls have been removed or relocated, or if any plumbing or electrical work has been newly installed or relocated, the Contractor must submit a drawing of the apartment sufficient to show any relocated walls and all new or relocated electrical and plumbing work if different than in the construction documents previously submitted.

5. If work is done in kitchen and or bathroom waterproofing must be installed on subfloor waterproofing all affected wet areas with the product "LATICRETE 9235" or equal waterproofing membrane.
6. Demolition: To the extent feasible, all demolition must be scheduled at the "front end" of the project and completed within five days
7. Work Hours and Noise: The Work shall be performed, only between the hours of 9:00 a.m. and 4:00 p.m. Monday through Friday; provided however, that "noisy work" which may disturb other residents shall not be performed before 11:00 a.m., Monday through Friday. The Work shall not be performed on Saturdays, Sundays and holidays. The Corporation shall be the sole arbiter should there be any doubt as to noise levels which may be disturbing. All supplies and material to be delivered within the above time. Cleaning of hallways and public spaces may continue until 5:00 PM.
8. No impact tools may be used at any time.
9. The hallway door of the apartment is to be closed and its perimeter sealed with 3" masking tape internally at all times to prevent dust and debris from entering public areas of building.
10. All dust and dirt in hallways to be cleaned up at end of each working day. If plaster dust has fallen in public hallways, it must be swept and then wet-mopped. "Broom-clean" is insufficient.
11. Rubbish containers, which cannot be carried, may not be brought into the building unless the lobby and hallway floors over which the containers are moved have been protected or unless the containers have rubber (not composition or metal) wheels and no skids. In any event, the Contractor will be strictly liable for damage to the building from movement of rubbish containers.
12. Construction and demolition debris may not be placed in the basement, garbage room or in any public areas. The Contractor is responsible for the removal of all construction debris from the premises daily. If, the Building's Managing Agent and any member of the Board of Directors, or any two directors, determine that any public areas were not properly cleaned and Tenant's Contractor cannot be found to do the work, they may request the Superintendent to clean such areas. The Cooperative will pay the Superintendent at the rate of \$15.00 per hour (subject to change without notice) for any such work, and Tenant will reimburse the Cooperative on demand for all such payments.
13. The passenger elevator must not be overloaded with transportation of tools and/or materials. The contractor is advised that the elevator has a low weight capacity and must not be overloaded. The passenger elevator is not intended for and may not be used for the conveyance of construction materials, any damage caused by contractor or subcontractor use will be the responsibility of the Contractor. The elevator walls must be covered with protective material during the delivery of materials. Protective masonite

boards must be placed securely without level changes that may cause tripping hazard on the lobby floor between the front door and the elevator, and on the public hallway floors covering the area from the unit to the elevator. No materials may be stored in the hallways.

14. The elevator must not be immobilized for loading or unloading at any time.
15. The Contractor must not leave the outer doors of the building unlocked at any time unless a responsible member of the family of the apartment owner or an employee of the Contractor remains at the building doors. If necessary, the apartment owner should make arrangements to have a key to the outer doors available to the Contractor during the day.
16. CONTRACTOR WILL CAUSE A COPY OF THESE RULES TO BE POSTED within the area of work AT ALL TIME IN A VISIBLE LOCATION accompanying the demolition and construction drawings. IF CONTRACTOR'S CREW IS NOT ENGLISH-SPEAKING, CONTRACTOR IS RESPONSIBLE FOR ACCURATE TRANSLATION OF THE POSTED COPY INTO THE LANGUAGE OF CONTRACTOR'S CREW.
17. The owner and contractor do both hereby agree to indemnify and hold the cooperative harmless for any damages, judgments, interest, defense costs, charges, fees, penalties, fines or other expenses, which may arise as a result of the work.
18. All work shall comply with all applicable City, State and Federal requirements and regulations.
19. Work Duration: The entire renovation is completed within a 15 week duration. (As agreed by the Board of Directors). Commencement of work shall be measured from the date of issuance of the required N.Y.C. Department of Building permit. Completion shall be the date that the apartment is finished and suitable for occupancy. Should there be any dispute over the date of completion; the building's usual architect shall determine when the unit is finished. If it is not completed on time penalties are as follows: \$ 25.00 per day for the first week, \$ 50.00 per day for the second week and \$ 100.00 per day for all following weeks.
20. WRITTEN NOTICE OF ALTERATION/DECORATION TO ADJACENT UNIT OWNERS: Shareholder will send each adjacent resident a letter describing the general extent of the alteration and its duration; at least one week prior to the commencement of work. That all shareholders and tenants must be notified at least 48 hours before any work is started that may give off noxious odors or fumes (i.e. paint stripper, floor scraping, etc). The tenants and shareholders shall be notified by posting a notice on the building's bulletin board.
21. The contractor may install a sidewalk shed and refuse chute in front of the building for use in removing the demolition refuse. The contractor must obtain proper municipal permits for the shed and chute and for any refuse container which may be placed in the street, including a street obstruction

permit for the container. The contractor and owner both agree to indemnify and hold harmless the cooperative for any damages that result from the installation of the shed, chute and container including but not limited to any robberies or burglaries which may result from said installation. *Consent for this installation is strictly limited to placement of the shed and chute on a Monday and removal of both not later than 5:00PM on the Friday of that week.*

Tenant and Contractor Acceptance

Tenant acknowledges and agrees to the foregoing Conditions.

Print Name:

Date:

Contractor acknowledges and accepts the rules contained in Part II hereof, and acknowledges notice of paragraphs 4, 9 and 10 of Part I hereof. Contractor will cause its employees and subcontractors to observe the rules contained in Part II hereof. Contractor acknowledges that breach of such rules may result in Contractor being locked out of the job.

Name, Address and Telephone
Number of Responsible
Individual of Contractor:

Name of Contractor

By

Title:

Date:

Cooperative Acknowledgment of Deposit

The Cooperative acknowledges receipt of the \$_____ deposit referred to in paragraph 11 of Part I hereof.

UNADILLA OWNERS CORP. (Owner)
Kyrour Realty Group, Inc. (Agent)

By _____

Title:

Date: _____

EXHIBIT B

ASSUMPTION OF ALTERATION AGREEMENT

WHEREAS, by a certain Assignment of Proprietary Lease, dated _____, _____ ("Assignee") will acquire all of the right, title and interest of _____ ("Assignor") in and to a certain lease (the "Lease") dated _____, between UNADILLA OWNERS CORP. ("Lessor Corporation"), as lessor, and Assignor, or [her][his] predecessor in interest, as lessee, for apartment _____ ("Apartment") in premises known as 126 West 11th Street, New York, New York; and

WHEREAS, by instrument dated _____ ("Assumption of Lease") Assignee will assume all of the obligations of Assignor as lessee under the Lease, and is about to become the lessee of the Apartment by virtue of said instrument or the execution of a new lease.

NOW, THEREFORE, in consideration of the premises and the consent of Lessor Corporation or its directors to the assignment of the Lease to Assignee and to the transfer to Assignee of the shares of Lessor Corporation which accompany the Lease, Assignee hereby ASSUMES AND AGREES TO PERFORM AND COMPLY with all the terms, covenants and conditions of that certain Alteration Agreement between Assignor and the Lessor Corporation dated _____ (copy attached hereto), including, without limitation, the obligation to maintain and repair, at Assignee's expense, the alteration work which was the subject of the Alteration Agreement and any structures, fixtures, appliances, or other items installed or built in connection with such alteration work.

Any breach of this Assumption Agreement or the obligations assumed hereby shall be a breach of the Lease.

This Assumption Agreement and all of its provisions shall be binding on Assignee and [her][his] estate, heirs, executors, administrators, personal representatives, successors and assigns.

New York, N.Y.

Date:

Assignee

State of New York }
 } ss.:
County of New York }

On this _____ day of _____, _____, before me personally came _____, to me known and known to me to be the individual described in and who executed the foregoing instrument, and duly acknowledged to me that [she][he] executed the same.

Notary Public

ALTERATION FEES AND PROCEDURES

1. TIME AT WHICH AN ALTERATION MAY COMMENCE:

No work can commence until: All permits and approvals are in place; All preconstruction Alteration Agreement provisions have been met; and all parties have executed the Alteration Agreement; and the Managing Agent/Superintendent has scheduled a start date.

Factors such as the location and scope of work of your project, as it relates to other projects currently underway (in scope, location within the building, number of projects) and other common element building projects all are taken into consideration. The Cooperative will not permit an alteration that places any one Shareholder in a position of having more than one adjacent (side, above or below) alteration underway, at any one given time.

2. DESIGN POLICIES AND PROHIBITIONS:

- a. FOR ANY PAINTING AND/OR STRIPPING TENANT TO ABIDE BY RULES SET FORTH IN SECTION II 1-7 AND SECTION III CONTRACTOR RULES
- b. No "wet areas" over "dry areas" (i.e. no bathrooms over libraries).
- c. Same room use over same room use (i.e. bedroom over bedroom).
- d. No noisy use over quiet use (i.e. no fitness rooms over bedrooms).
- e. The architect for the Shareholder must assure the Cooperative, in writing, that any floor installations shall meet or exceed the New York City Code from a sound transmission and impact noise rating standpoint.
- f. Cement board type product (not moisture resistant "Greenboard") must be used throughout all bathrooms indicating wall removal and replacement.
- g. Installation of garbage disposals are prohibited.
- h. No wooden floors are permitted in bathrooms.
- i. Installation of non self-venting kitchen exhaust (hood) fans are NOT permitted.
- j. Installation of bathroom exhaust fans are NOT permitted.
- k. Existing kitchen and/or fan motors must be REMOVED.
- l. Whenever installing new shower body, contractor must install two (one hot + one cold) brass check valves.
- m. Only AC units allowed are window units. n. No penetrations thru the walls or roof allowed for any reason - air conditioning units, dryer exhausts, etc.

- o. If fusebox is more than 20 years old, it must be replaced. If there is doubt, it may be inspected by building engineer to determine if it is to be replaced.
- p. If subfloor is removed and replaced, 2" x2" sound isolation pads to be installed as per mfr recommendations. Mason Industries or similar.
- q. If plaster is removed on any exterior wall, thermal insulation must be installed.
- r. If plaster is removed on ceiling, soundproofing insulation must be installed.
- s. If plaster is removed on any wall adjacent to the public hallway or an adjacent apartment, soundproofing insulation must be installed and the legal firerating must be maintained.
- t. If plaster is removed surrounding a steel column, angle or beam (channels), details must be provided to provide required fire rating or intumescent paint must be applied as per mfr.s instructions. Certificate to be applied at end of Work prior to refund of deposit.
- u. For every room in which plumbing work is being done (including installing a new appliance at an existing location), you must replace all water supply piping and waste piping leading from the vertical risers and vertical waste lines to each plumbing fixture
- v. For every room in which electrical work is being done (with the exception of installing a new appliance at an existing location), you must install a new circuit breaker panel in the apartment and then install new wiring from that panel to each fixture, appliance or outlet in every room being totally renovated. In rooms that are not being renovated, where existing plaster shall remain, the old wiring may also remain. All wiring in the apartment must be upgraded to the minimum requirements of NYC Building Codes.
- w. Under any washing machine that may be installed, you must furnish and install a commercially made pan to catch any water leaks or spillage. Said pan must be properly connected to the building's waste lines.
- x. You must install new thermal insulation [R-11 minimum] in all exterior walls where the plaster is being removed.
- y. You must install new sound insulation in all walls between public portions of the building and between apartments to the minimum proscribed by applicable municipal regulations in all walls or ceilings where the plaster is being removed.
- z. The Cooperative will not guarantee or warrant the sufficiency of heating, hot water or electrical service for any proposed alterations. Upon completion of all construction work, unless the unit has the building standard type and number of unenclosed heating radiators, the building shall not be responsible for supplying an adequate amount of heat to the unit, or for any damages, penalties or replacements. Further, if the Cooperative is required to

undertake, now or in the future, any building, structural or within-the-walls repair work to the building through Tenant's apartment, the Cooperative will return the apartment to its pre-existing condition, at building standard, and shall not be responsible in any manner for damage to, or replacement of, apartment improvements beyond building standard (such as wallpaper, high-end tiles, color paint, high-end plumbing fixtures).

- aa. You must be responsible for ensuring that the halls and public areas of the building are clean at the end of each working day.
- bb. All dirt and dust in hallways to be cleaned up at end of each working day. If plaster dust has fallen in public hallways, it must be swept and then wet-mopped. "Broom-clean" is insufficient.
- cc. If, the Building's Managing Agent and any member of the Board of Directors, or any two directors, determine that any public areas were not properly cleaned and Tenant's Contractor cannot be found to do the work, they may request the Superintendent to clean such areas. Tenant will reimburse the Cooperative on demand for all such payments.

3. INSPECTION BY BUILDING'S ARCHITECT:

During demolition, the construction phase and immediately before closing walls/ceilings/floors containing building service lines, the Cooperative reserves the right, at its sole and unilateral discretion, to have the architect/engineer for the Cooperative perform inspection(s) at the Shareholder's expense.

4. FEES AND SECURITY DEPOSITS:

- a. Alteration Processing Fee: For alterations costing less than \$25,000, Shareholder will remit an alteration processing fee of \$250.00 payable to Kyrour Realty Group, Inc. For alterations costing between \$25,000 and \$100,000, Shareholder will remit an alteration processing fee of \$500.00 payable to Kyrour Realty Group, Inc. For all alterations costing greater than \$100,000, Shareholder will remit an alteration processing fee of \$1,000.00 payable to Kyrour Realty Group, Inc.
- b. Water Shutdown Fee: Each alteration will include TWO water shutdowns per alteration at no cost. The third and forth water shutdowns will cost \$250 and \$500 respectively, with water shutdowns thereafter costing \$1,000 each.
- c. Administrative Fee For Incomplete Projects: If an extension is granted to go beyond the stated term in the Alteration Agreement, such extension is subject to a daily fee, to be determined by the Board of Directors of the Cooperative.
- d. Security Deposit: Shareholder must remit a Security Deposit in an amount of ten percent (10%) of the project value (including contractor and sub-contractor costs) or \$5,000 whichever is greater, and complete an IRS Form W-9 for purposes of establishing a security deposit account at a financial institution.

At the conclusion of the alteration and **prior to the return** of the security deposit, Shareholder must submit the following items to the Alteration

Administrator: 1. For all projects that were filed with the NYC DOB, a Letter of Completion issued by the NYC DOB (and a Certificate of Completed Electrical Work by the contractor, as applicable); 2. A letter from the Shareholder stating the actual work completed conforms, in its entirety, to the plans and specifications approved by the Corporation; 3. A letter from the architect (or the contractor) stating the actual work completed meets or exceeds all applicable NYC building codes.

5. WORK STOPPAGE:

Any of the following persons will retain the right to stop work and/or waive "administrative fees" for a breach of any of the terms of the Alteration Agreement and/or these Policies and Procedures: Any member of the Board of Directors; any employee of the Corporation or the Managing Agent.

6. OTHER PROVISIONS:

- a. Contractors and/or their suppliers agree not to block the main entrance to the building.
- b. Contractors must use low odor products whenever possible and all windows to be kept open and a minimum of 3 exhaust fans to be placed in windows at maximum speed and to be kept running 24 hours a day during stripping and at least 72 hours after
- c. Contractor must seal all air exhaust registers and the entry door of the apartment is to be closed and its perimeter sealed with 3" masking tape internally at all times to prevent dust and debris from entering public areas of building prior to any painting, sanding, demolition and/or dust producing work.
- d. Contractor must inspect unit entry door, setback, door frame and compactor room doors and walls for scratches, marks and "touch-up" said marks DAILY. If the repainted areas are visible after the "touch-up," contractor must repaint the entire section to ensure a blemish free appearance.
- e. If the existing one piece tank/bowl toilets will remain as part of the alteration, the contractor must adjust the height of the toilet tank overflow tube so it will not permit water to rise to a level that can cause water to leak from the toilet's bolt holes (used for mounting the toilet seat) and adjust the water level so that the water level will not rise to the level of the bolt holes.

**NON-COMPLIANCE WITH THE ABOVE AND/OR DEVIATION FROM THE PLANS
APPROVED BY THE COOPERATIVE WILL RESULT IN AN IMMEDIATE JOB SHUTDOWN OF
ALL WORK.**

EXHIBIT C

CONTRACTOR LETTER

Date: _____

To: Harriet Kyrour
Kyrour Realty Group, Inc.
263 West 38th Street, Suite 15E
New York, NY 10018

RE: 126 West 11th Street
Apt. Number: _____ (the "Apartment")
New York, New York

Shareholder(s): _____ (the "Shareholder")

Dear Ms. Kyrour:

This letter will confirm that the undersigned has (i) reviewed and fully understood the terms and provisions of the Alteration Agreement dated _____ (the "Agreement") between the Unadilla Owners Corp. (the "Cooperative") and the Shareholder and (ii) agrees to abide by the terms of the Agreement, the proprietary lease between the parties and the rules and regulations of the Cooperative from time to time in effect.

The undersigned further agrees that it will not make any claim against, or seek to recover from (a) the Cooperative or the Cooperative's shareholders or (b) the Cooperative's or the Cooperative's shareholders' servants, agents, partners, guests, licensees, invitees, tenants or employees (collectively, the "Indemnified Parties") for any damage to persons or property by the perils within the scope of the policies described in the Agreement unless the loss or damage is due to the carelessness or negligence of that Indemnified Party.

The undersigned further agrees to defend, indemnify and hold harmless the Indemnified Parties and all other occupants of the building, against any and all liability, including legal costs and expenses on account of loss of life or injury to any person or damage to property, happening in or arising out of or in any way relating to the performance of the work unless such injury or loss of life or loss or damage to property is caused by the carelessness or negligence of that Indemnified Party.

The undersigned hereby waives and releases any right to place a lien against any unit other than the Apartment referenced above, in the event of any payment dispute regarding work in Apartment.

Sincerely,

[Company Name of Contractor]

New York City Contractor's
License Number

By: _____
Signature

Name: _____ Title: _____

EXHIBIT A

Shareholder's Contractor shall provide insurance of the types and in not less than the limits set forth below with a company or companies satisfactory to the Corporation, licensed to do business in the State of New York, and all such policies shall name the Corporation, the Shareholder and the Corporation's managing agent (the "Managing Agent") as additional insured. No diminution of limits of insurance will be permitted.

- i. **Worker's Compensation** as required by all applicable Federal, State, or other laws including Employers Liability in accordance with the statutory requirements of the State of New York, together with Disability Benefits Insurance required by the State of New York. This coverage to be a minimum of \$5,000,000. Employer's liability coverage to be not less than \$500,000.
- ii. **Commercial General Liability** coverage of \$1,000,000 per occurrence and \$2,000,000 in the aggregate including Contractor's Liability and Blanket Contractual Liability (oral or written), all on an occurrence basis with Personal Injury Coverage, which shall include mental anguish as well as standard conditions, and Broad Form Property Damage, without any exclusion relating to Explosion, Collapse and Underground Property Damage. Insurance shall also cover the following: premises and operations liability, products/completed operations, broad form property damage, broad form contractual liability, personal injury and independent contractor's liability.
- iii. **Commercial General Liability** coverage to extend for a period of one year following termination of the Work and Contractual Indemnity Coverage is also to extend for one year following termination of the Work. The policy is also to include (a) Owners Protective Liability Coverage, (b) Knowledge of Occurrence and Notice of Occurrence endorsements and (c) Unintentional Errors and Omissions clause. The policy shall also include coverage with respect to asbestos exposure if the Work involves any asbestos-containing material.
- iv. **Commercial General Liability** coverage - \$1,000,000 BODILY INJURY & PROPERTY DAMAGE (combined single limit).
- v. **Comprehensive Automobile Liability**, including non-ownership and hired vehicle coverage, as well as owned vehicles: \$1,000,000 BODILY INJURY & PROPERTY DAMAGE (combined single limit).
- vi. **Umbrella Liability** for BODILY INJURY, PERSONAL INJURY AND PROPERTY DAMAGE COMBINED. It will have a limit of \$3,000,000 per occurrence and a general aggregate of \$3,000,000.

If umbrellas are written in more than one company any layers above the first one shall follow the form of the primary umbrella.

Prior to the commencement of any work hereunder, detailed certificates of insurance shall be furnished to the Corporation showing that such insurance is in full force and the premiums due there under have been paid. Such certificates shall provide that the said insurance may not be canceled, terminated or modified without thirty (30) days written advance notice thereof to the Corporation. The Contractor shall promptly furnish the Corporation with copies of any endorsements subsequently issued amending insurance coverage or limits. In the event of the failure of the Contractor to furnish and maintain such insurance, the

Corporation shall have the right, at its option, at any time, to revoke permission to perform the work and to deny entry into the Building to all workers.

Amounts of insurance required may be higher for major renovations as designated by the Board of Directors.

The Contractor's insurance policy shall also contain in substance the following endorsement:

"This insurance shall not be invalidated should the insured waive, in writing, prior to a loss, any or all right of recovery against any party for the loss occurring to the property described herein."

Nothing in this Exhibit "A" shall constitute a waiver of or limitation of any other rights or remedies the Corporation may have for consequential damages or otherwise.

INDEMNIFICATION AGREEMENT

Whereas, _____ ("Contractor") is and will be performing certain work for _____ ("Owner") pursuant to an agreement for _____, the Contractor and Owner hereby agree:

To the fullest extent permitted by law, Contractor agrees to indemnify, defend and hold harmless Owner and/or Managing Agent from any and all claims, suits, damages, liabilities, professional fees, including attorney's fees, costs, court costs, expenses and disbursements related to death, personal injuries or property damage (including loss of use thereof) arising out of or in connection with the performance of the work of the Contractor, its agents, servants, subcontractors or employees, or the use of the Contractor, its agents, servants, subcontractors or employees, of facilities owned by Owner. This agreement to indemnify specifically contemplates full indemnity in the event of liability imposed against the Owner and/ or Managing Agent without negligence and solely by reason of statute, operation of law or otherwise, and partial indemnity in the event of any actual negligence on the part of Owner and/or Managing Agent either causing or contributing to the underlying claim. In that event, indemnification will be limited to any liability imposed over and above that percentage attributable to actual, whether by statute, by operation of law or otherwise.

INSURANCE PROCUREMENT

Contractor shall obtain and maintain at all times during the term of this agreement, at its sole cost and expense, the following insurance:

- a) **Worker's Compensation** as required by all applicable Federal, State, or other laws including Employers Liability in accordance with the statutory requirements of the State of New York, together with Disability Benefits Insurance required by the State of New York. This coverage to be a minimum of \$5,000,000. Employer's liability coverage to be not less than \$500,000.
- b) **Commercial General Liability** coverage of \$1,000,000 per occurrence and \$2,000,000 in the aggregate including Contractor's Liability and Blanket Contractual Liability (oral or written), all on an occurrence basis with Personal Injury Coverage, which shall include mental anguish as well as standard conditions, and Broad Form Property Damage, without any exclusion relating to Explosion, Collapse and Underground Property Damage. Insurance shall also cover the following: premises and operations liability, products/completed operations, broad form property damage, broad form contractual liability, personal injury and independent contractor's liability.
- c) **Commercial General Liability** coverage to extend for a period of one year following termination of the Work and Contractual Indemnity Coverage is also to extend for one year following termination of the Work. The policy is also to include (a) Owners Protective Liability Coverage, (b) Knowledge of Occurrence and Notice of Occurrence endorsements and (c) Unintentional Errors and Omissions clause. The policy shall also include coverage with respect to asbestos exposure if the Work involves any asbestos-containing material.
- d) **Commercial General Liability** coverage - \$1,000,000 BODILY INJURY & PROPERTY DAMAGE (combined single limit).
- e) **Comprehensive Automobile Liability**, including non-ownership and hired vehicle coverage, as well as owned vehicles: \$1,000,000 BODILY INJURY & PROPERTY DAMAGE (combined single limit).
- f) **Umbrella Liability** for BODILY INJURY, PERSONAL INJURY AND PROPERTY DAMAGE COMBINED. It will have a limit of \$3,000,000 per occurrence and a general aggregate of \$3,000,000. If umbrellas are written in more than one company any layers above the first one shall follow the form of the primary umbrella.

Contractor shall, by specific endorsements to its primary and umbrella/ excess liability policy, cause Owner and Managing Agent to be named as Additional Insured. Contractor shall, by specific endorsement to its primary liability policy, cause the coverage afforded to the additional insured there under to be primary to and not concurrent with other valid and collectible insurance available to Owner and Managing Agent. Contractor shall, by specific endorsement to its umbrella/ excess liability policy, cause the coverage afforded to Owner and Managing Agent there under to be first tier umbrella/ excess coverage above the primary coverage afforded to Owner and Managing Agent and not concurrent with or excess to other valid and collectible insurance available to Owner and Managing Agent.

Dated: _____

Owner

Contractor

By: _____

By: _____



Architecture
Restoration
Conservation
PC

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New York NY 10010
Telephone 212 367 7472
www.arcpc.us

January 1, 2017

1. ALTERATION REVIEW RATE SCHEDULE: CALENDAR YEAR 2017

Alteration reviews generally follow a chronological sequence starting with the review of plans and finalizing with the completion of the alteration. There are typically four review phases, as follows:

- **Design Review:** Includes review of plans, specifications and/or a description of the proposed scope of work.
- **Pre-Construction Phase:** Consists in the review of submittals required prior to construction such as permits, licenses and test reports.
- **Construction Phase:** Includes progress and final inspection of the work to ensure compliance with approved plans.
- **Post Completion Phase:** Consists of verification that the project has been properly signed-off and that there are no outstanding violations related to construction work undertaken.

Design Review Fees:

Fees for alteration reviews fall under one of two criteria: the type of renovation undertaken (Renovation Level) and the size of the space being renovated (Space Size). **Design Reviews** will be billed on a lump sum basis where the review fee will be the lesser of the two criteria (Renovation Level vs Space Size). The total fee charged will be dependent on the number of design reviews required to satisfy requirements or clarifications requested after the initial submission of plans. The cost of each review is as follows:

Renovation Level	Space Size	Design Review Fees
Level 0	Minor Renovation	500.
Level 1	Studio or 1 Bedroom	750.
Level 2	2 Bedrooms or More	1,000.
Level 3	Apartment Combinations	1,500.
Level 4	Commercial Alterations	2,000.

Renovation Levels:

Level 0: Work not involving major renovations to kitchens or bathrooms or any type of demolitions of partition walls (i.e. painting, installation of a/c units, and installation of new windows or other type of cosmetic work).

Level 1: Renovations of bathrooms, kitchens or a combination of the two, plus work on up to one bedroom.

Level 2: Work done at Level 1 plus additional bedrooms.

Level 3: Work involving combination of two or more apartments into a single unit.

Level 4: Work involving commercial retail spaces limited to a main space and a basement.

Other Review Fees:

Fees for telephone consultations, Pre-Construction, Construction and Post Completion phases will be billed at a flat hourly rate of \$285/hr. There is a minimum 2-hour service charge for site visits.

General Expenses:

Include all direct and indirect project expenses such as: printing and reproduction (excluding large format scanning services), postage and delivery expenses, travel fees, communication costs, administrative expenses, professional liability insurance, overhead and profit. General Expenses will be billed at the rate of 15% of Professional Services rendered. No back-up data or copies of bills will be provided for General Expenses invoiced under this agreement.

Additional Expenses:

Scanning services for drawings larger than 11x17 will be billed at \$25 per sheet unless electronic document files of the drawings are provided in PDF format at the time of submission.



2. General Terms and Conditions for Apartment Alteration Reviews

- 2.1 **Payments to the Architect:** Upon acceptance of this contract by the Owner, a payment as noted in the Acceptance section of this proposal will be required to initialize the project. Invoices are payable upon 30 days from date of invoice. Any objection which Owner may have to ARC's invoices shall be made in writing to ARC within 15 days from date of invoice. A 15% late payment fee will be applied to all invoices not paid within 60 days from date of invoice.
- 2.2 **Standard of Care:** ARC's services shall be performed, subject to causes outside of ARC's control (including, but not limited to, governmental approvals and the Owner's providing of requested information or approvals) within the limits described in the attached proposal/letter/work order in a manner consistent with that level of care and skill ordinarily exercised by other professional architects performing similar services on similar projects under similar circumstances at the time the services are performed (the "Standard of Care"). The Owner agrees that no other representation, expressed or implied, and no warranty or guarantee is provided by ARC or is to be presumed given by ARC under this proposal/letter/work order or in any report, opinion, or any other document prepared by ARC or otherwise.
- 2.3 **Termination or Suspension of Services:** ARC's services will be suspended in the event that any invoice remains unpaid after more than 60 days from the date of the invoice. In such case, services will only resume when all outstanding invoices and late payment penalties have been paid in full. ARC shall have no liability for any claims after the initial date of suspended services. ARC reserves the right not to perform any Additional Service at any point in time.
- 2.4 **Job Safety and Control of the Work:** ARC shall take reasonable precautions to safeguard its own employees. Except as otherwise expressly agreed to in writing by ARC, ARC shall have no responsibility for the safety program at the Project site or the safety of any contractor, subcontractor, consultant, subconsultant or other person. Neither the professional activities of ARC nor the presence of ARC's employees and subcontractors at the Project site shall be construed to confer upon ARC any responsibility for any activities performed by personnel other than ARC's employees. The Owner agrees that ARC shall have no control over the activities or any contractors, subcontractors, consultants, subconsultants or construction manager, their agents, servants or employees.
- 2.5 **Advisory Capacity:** Services rendered are solely for the benefit of the Client based entirely upon information provided by building management. ARC was not retained to provide architectural services for the proposed renovation which is solely the responsibility of the apartment owner and his/her agents.
- 2.6 **Consultants:** ARC shall not be responsible to the Owner or any third-parties for errors, omissions or other deficiencies or defaults of any other design professional, including design-build contractors, rendering design, architectural, engineering or related services for the benefit of the Owner or the project, whether retained by ARC or the Owner. ARC's sole liability in connection with the services of consultants shall be to coordinate the consultant's portion of the Instruments of Service consistent with the Standard of Care.
- 2.7 **Limitation of Liability:** ARC's liability for any damage on account of any claimed error, omission, wrongful conduct or negligence will be limited to an amount equal to ARC's fee under this Agreement. In no event shall ARC be liable for special, consequential, or exemplary damages, or damages due to delay in the work. No action, regardless of form, arising out of the service under this Agreement, may be brought by the Owner more than one (1) year after the act or omission giving rise to a cause of action has occurred.
- 2.8 **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of New York



3. Acceptance

If the terms of this proposal are acceptable, then please indicate your acceptance by signing and returning one copy of this proposal.

This proposal may be withdrawn by ARC if an executed copy of this proposal is not received by ARC within fifteen (15) days of the date of this proposal.

We appreciate the opportunity to partner with you.

Sincerely yours,

Joakim Aspegren, AIA
President

Accepted and Agreed to by:

Name and Title

Authorized Signature

Date