

**ALTERATION AGREEMENT**  
**340 EAST 74<sup>th</sup> STREET OWNERS CORP.**

DATE OF SUBMISSION: \_\_\_\_\_

FROM: \_\_\_\_\_

TO: 340 East 74<sup>th</sup> Street Owners Corp. (the "Corporation")  
c/o Resident Manager  
340 East 74<sup>th</sup> Street  
New York, NY 10021

RE: Apartment \_\_\_\_\_  
340 East 74<sup>th</sup> Street, New York, NY 10021 (the "Building")  
Proposed Start Date: \_\_\_\_\_  
Proposed End Date: \_\_\_\_\_

To The Board of Directors:

Pursuant to Paragraph 21(a) of the Proprietary Lease entered into with you with respect to the above-referred-to-apartment (the "Proprietary Lease"), I hereby request permission to install the equipment and/or make the alterations described in the annexed document (hereinafter collectively referred to as the "Work") in the Apartment.

If such permission be granted:

1. I agree, before any of the Work is begun:

(a) To provide you with a complete and conformed copy of every agreement made with contactors, subcontractors and suppliers (and to provide you any change documents, amendments thereto, etc., promptly upon their execution).

(b) [If required by the Corporation or by law or governmental regulations,] to file plans with, and procure the approval of governmental agencies having jurisdiction over the Work and, not more than ten (10) days after receipt of such approval, to deliver to you a copy of every permit or certificate issued. If there be any doubt as to the need for such approval, the Corporation shall be the sole arbiter in resolving the doubt. Plans shall not be modified by shareholder after they have been approved by the Corporation without subsequent approval.

(c) To procure from my contractor, or contractors:

(i) **Comprehensive personal liability and property damage insurance policies, coverage for all operations, independent contractors, blanket contractual liabilities (oral or written), completed operation and products liability, Broad Form Property Damage, explosion, collapse and underground hazards (X, C U) each in the amount of not less than \$1,000,000 and naming you, the Corporation, the Board of Directors, and the Managing Agent, as the parties insured. Such**

**policies shall provide that they may not be terminated until at least ten (10) days after written notice to you.**

- (ii) Workmen's compensation and employees liability insurance policies, covering all employees of the contractor, contractors or subcontractors.

All such policies, or certificates evidencing their issuance, shall be delivered to you.

- (iii) A written commitment to you in which the contractors agree that they will not make any claim against or seek to recover from you or your shareholders or your shareholder's servants, agents, partners, guests, licensees, invitees, subtenants or employees for any damage to persons or property caused by any of the perils within the scope of the policies described in paragraph 1(c) of this Agreement, whether or not the loss of damage is due to the carelessness or negligence of such named parties.
- (iv) Evidence of compliance with applicable United States Environmental Agency lead paint disclosure requirements.

2. I understand that you customarily retain an architect and/or engineer to review plans for proposed work in the building, to examine work in progress and, upon completion, to ensure conformity to plans and specifications previously approved and with the requirements of this Agreement. I agree to provide access to said architect or engineer or any successor thereto as well as to your agents (including, without limitation, the Building's Resident Manager) to observe the Work from time to time, and I undertake to make all corrections specified by you as a result thereof. Such observation visits may be made, without notice from time to time and, upon my notice to you of the pendency of such events on the following occasions:

- (a) Prior to inspections, testing or approvals as required by any public or governmental authority having jurisdiction over any portion of the Work; and
- (b) Prior to the enclosure or obstruction of any concealed or inaccessible portions of the Work.

I agree to pay all reasonable fees and expenses charged by such architect/engineer. In addition, if you are required or shall deem it wise to seek legal advice either prior or subsequent to granting permission to perform the Work, I agree to reimburse you, on demand, for reasonable fees incurred, and if permission be granted then, in any event, prior to commencement of any Work. I agree to pay any reasonable expenses incurred by you in connection with the Work, including without limitation, all legal fees and expenses incurred by reason of the filing of any mechanic's liens.

3. If any portion of the Work should be covered or obstructed contrary to the request of any architect or engineer engaged by you pursuant to the terms thereof or to the requirements specifically expressed in this Agreement, it must, if required in writing by your architect or engineer, be uncovered or relieved of obstruction, as the case may be, to permit proper examination at my expense. Any permitted replacement will be at my sole expense. I shall promptly correct all Work rejected by you as defective or as failing to conform to this Agreement, or to the Building's rules and regulations, or the laws, rules, orders or regulations of any governmental authority having jurisdiction over the Building or as creating any violation of any policy of any insurance carrier, whether or not fabricated, installed or completed. I shall bear all costs of correcting such rejected Work including compensation for

the additional services of any architect or engineer engaged by you pursuant to the terms hereof made necessary thereby.

4. It is understood that:

- (a) I assume all risks of damage to the Building and its mechanical systems, and to persons and property in the Building which may result from or be attributable to the Work being performed hereunder, and all responsibility for the maintenance and repair of any alterations and installations after completion. This responsibility covers all aspects of the Work, whether or not of a structural nature, affecting windows, walls or roofs, waterproofing of any part of the Building, maintenance of heating, plumbing, air-conditioning or other equipment installed or altered pursuant hereto. If the operation of the Building, or any of its structural components, plumbing, heating, electrical, intercom, elevator or other systems of equipment is adversely affected by the Work, I shall, when so advised, promptly remove the cause of the problem and be responsible for all repairs and complete restoration or replacement.
- (b) I recognize that there will be no change in the operation of the Building's heating, air-conditioning (if any), plumbing or electrical system to facilitate the functioning of any equipment I may be installing.
- (c) The alterations and materials used shall be of the quality and style in keeping with the general character of the Building, as defined by your Board of Directors (the "Board").
- (d) Shareholder shall maintain functioning smoke and carbon monoxide alarms in the Apartment throughout the duration of the Work. Shareholder shall ensure that Work does not block access to any fire exits in the building. Shareholder shall install smoke and carbon monoxide detectors within 15 feet of every sleeping area pursuant to New York City regulations. Additionally, if a child 10 years old or under lives, or will live in the Apartment, Shareholder shall install, or cause to be installed, window guards in accordance to New York City code.
- (e) I undertake to indemnify you, your officers, directors, Managing Agent, architect(s), engineer(s), attorneys and tenants or occupants of the Building for any damages, losses, costs, fees and expenses suffered to person or property as a result of the Work to be performed hereunder, whether or not caused by negligence, and for any and all liabilities arising therefrom or incurred in connection therewith, and to reimburse you, your architect, engineer, attorney, and your Managing Agent for any losses, costs, fees and expenses incurred including, without limitation, attorneys' fees and disbursements incurred, as a result of such Work.
- (f) If, after making any alterations or installing any equipment referred to herein, I shall:
  - i. Seek to exercise my right to terminate my Proprietary Lease, I will upon your demand, but at my expense, restore the Apartment and equipment therein to their condition prior hereto, and I agree that compliance with this commitment shall be a condition precedent to the cancellation of my Proprietary Lease; or
  - ii. Seek to transfer the corporate shares allocated to the Apartment and the Proprietary Lease appurtenant thereto, I will, if requested by you, either restore the Apartment and equipment therein to their condition

prior hereto or provide you with an undertaking acceptable to you from my transferee to assume all of my obligations, hereunder, including my continuing obligations and understandings expressed in subparagraphs (a) through (e) of this paragraph 4.

5. Regarding commencement and completion of work, I understand the following:

- (a) All premises Work shall be commenced within sixty (60) days after the date of your grant of permission as indicated by your execution hereof (the "Commencement Date") and as approved by Resident Manager.
- (b) With submission of this agreement I shall identify Work as a Minor Alteration, a Major Alteration or a Major Extended Alteration, as determined by duration of Work.
  - (i) Minor Alteration shall be defined as work that will be completed on or before the thirtieth consecutive day following Commencement Date (the "Completion Date").
  - (ii) Major Alteration shall be defined as work to be completed between the thirty-first and sixtieth consecutive day following Commencement Date (the "Completion Date").
  - (iii) Major Extended Alteration shall be defined as work to be completed between the sixty-first and one hundred and twentieth day following Commencement Date (the "Completion Date").
- (c) Except for unavoidable delays caused by labor strikes, acts of God, or other similar circumstances not caused by me and not within my control, and in the absence of any extension granted by the Board, if the Work shall not have been completed within the time period specified herein, the Shareholder will be charged the sum of One Hundred Dollars (\$100) per day for each additional day (excluding weekends and holidays) until the Work is completed, as liquidated damages and not as a penalty, to compensate you and your shareholders for the costs and inconvenience caused by the continuation of the Work. This shall not be construed so as to limit any claim for damages arising under this Agreement or any other agreement.
- (d) I may submit in writing a request to the Corporation for a one time extension for an additional thirty or sixty days ("Extension Period"). An extension will not be granted to extend Work beyond a total of 180 days. After the extension period, there will be no further extension unless otherwise granted in writing by the Corporation.
- (e) TIME SHALL BE OF THE ESSENCE with respect to the Commencement Date and the Completion Date. This paragraph shall not preclude my making a hardship application to the Board in the event of special circumstances when prevailing.
- (f) The determination of whether work is completed shall be made by the Corporation in its sole judgment, and the Corporation's determination shall be conclusive.

6. No Work shall be done after 4:00 P.M. nor before 9:00 A.M. nor on Saturdays, Sundays or holidays, **and any Work which can produce unusual noises, including but not limited to demolition, which might be disturbing to Building occupants, shall not be done before 10:00 A.M. nor later than 3:00 P.M. Violations will halt renovation work.**

- 7. All precautions will be taken to prevent dirt and dust from permeating other parts of the Building during the progress of the Work. In connection with such precautions, and if so requested by you or your agents, including the Resident Manager, I shall, or cause to be installed, a temporary dust-proof partition to prevent dust or debris from the Work from entering the stairwells, elevator shafts and hallways of the Building. On a daily basis the hallways will be covered with appropriate brown paper and tape from the front of the apartment past both elevators. ANY violation will cause work to be immediately stopped, and not commenced until the appropriate coverage is installed and approved by the Resident Manager. I will also have responsibility to broom-clean or cause to have broom-cleaned each night by the contactors or sub-contractors after they have ceased their work, the areas in which the Work is being performed, the areas adjacent thereto and any other affected areas of the Building. 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 area of the Building at my expense. At any time, if the contractor does not comply, there will be a \$50 fee per day charged if the Building Staff has to vacuum, mop, dust or remove any debris. I recognize that only the service elevator may be used for such removal and only at such times as the Resident Manager of the Building may direct. If the convenience of other tenants requires that the service elevators be operated on an “overtime” basis, I shall reimburse you for any wages or related expenses incurred in connection therewith. All sums which I may owe to you pursuant to this Agreement shall be deemed additional rent in accordance with Article II paragraph First of the Proprietary Lease.**
8. Prior to the commencement of any Work, I will give at least five (5) business days prior written notice to the tenant-shareholders occupying the apartments which are adjacent to, above and below my Apartment (“Adjacent Premises”) of the date on which the Work will be commenced in order to provide them with a reasonable opportunity to secure any personal property from damage due to vibration or similar cause resulting from the Work.
9. (a) Any damage to the adjacent building or other apartments of the common structure of the Building as a result of the Work will be insured by my insurance coverage required hereunder or that of the contractor(s) or subcontractor(s), as the case may be. However, the existence of such insurance shall not relieve me of liability hereunder. If the Corporation advises of any damage, in its opinion, caused by the Work, I shall submit any claim based on such damage immediately to my insurance carrier and the insurance carrier of the contractor(s) or subcontractor(s), as the case may be, without contest to the extent permitted by the insurance policies. I agree to use all reasonable efforts, and to cause the contractor(s) and subcontractor(s), to cause any insurance carrier insuring me or them to expeditiously settle and pay any amounts for claimed damage for which I or they are responsible hereunder to you or any tenant-shareholder of the Building.

(b) The tenant-shareholder of any apartment in the Building who claims to have suffered any damage caused by the Work (the “Claimed Damage”), or you, in the case of any Claimed Damage to areas of installations owned by you, shall have the right to repair the Claimed Damage to his or its satisfaction. In the event that there is a dispute as to the reasonableness of the cost of the proposed repairs, the determination of such amount may be made by the Board. If the Board elects to make such determination, I will pay the amounts of all bills for such repairs to Claimed Damage which such tenant-shareholder or you submit to me and will make such payment within in ten (10) days after they or you submit the same to me. If I fail to pay the amount of any bill to such tenant-shareholder or to you, as the case may be, within ten (10) days after its submission to me, I will pay interest at the Prime Rate charged by

Morgan Guarantee Trust Company of New York, as announced from the date of the submission to the date it is paid. In the event of my failure to pay a bill to a tenant-shareholder, you shall then be entitled to prompt reimbursement from me of the amount paid by you plus interest at the rate aforesaid from the date the bill was submitted to me until the date I repay you. In addition, all amounts paid by you for any Claimed Damage, (whether suffered by a tenant-shareholder or by the Corporation) plus such interest thereon, shall be deemed additional rent under my Proprietary Lease.

10. You shall have the right to stop the Work, restrict its continuation, and, at your election but our expense, restore the Apartment or Building to their condition prior to the commencement of the Work, if:
  - (a) The Work is not performed strictly as described in, and in accordance with the terms of, this Agreement; or
  - (b) We fail to meet any of our obligations hereunder; or
  - (c) The Work unduly interferes with your rights or the rights of any tenant-shareholder in the Building, of which you shall be the sole judge; or
  - (d) The contractor(s) and subcontractor(s), fail to use an appropriate labor force and thereby cause any actual or threatened labor disturbance to you or the Building, of which you shall be the sole judge.
11. We will bear the entire cost of alterations and installations and pay all bills incurred in connection therewith, not later than thirty (30) days after completion of the Work. If any mechanics liens are filed for work claimed to have been done or material alleged to have been supplied, I shall cause such liens to be discharged within ten (10) days after such filing. If I fail so to do, you may exercise any or all of your rights and remedies under the Proprietary Lease of this Agreement.
12. At the completion of the Work, I will deliver to you 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 all Work has been done in accordance with all applicable laws, ordinances and government regulations.
13. I recognize that by granting consent to the Work, you do not profess to express any opinion as to the design, feasibility or efficiency of the Work nor that the Work can be completed within the time specified in paragraph 5 of this Agreement. I agree that the responsibility for maintaining all the Work remains with me as tenant-shareholder and my successor-in-interest in residence in the Apartment including but not limited to the cost of removing and reinstalling all or any part of the Work. I agree to assume full responsibility for the future repair and maintenance of any equipment installed as part of the Work. In the event that there is a complaint concerning noise, vibration or exhaust heat from any such equipment, I shall upon notice make immediate repairs or adjustments to eliminate the cause of the complaint and if this is not possible, to remove any such equipment if so ordered by you. I further agree that I shall bear any and all costs for plumbing leaks or other condition which causes damage to the adjacent building or other apartments in the Building, if any time such leakage or damage results from the Work.
14. If the Work disturbs or exposes any asbestos-containing materials ("ACM") that may be contained in the Building during the course of the Work, or the possibility of disturbing or exposing ACM exists, I shall, at my expense, take all necessary steps to remove, treat or otherwise abate such ACM, including but not limited to, obtaining a person who is qualified (to your reasonable satisfaction) to render an opinion on asbestos to prepare an asbestos report. The asbestos report shall include recommendations for handling the ACM. Upon your

approval of such recommendations, I shall have a certified asbestos expert acceptable to you implement the recommendations and I shall bear the costs relating thereto. I shall comply with all Federal, State and Local laws, rules and regulations pertaining to asbestos control, as the same have been or may be promulgated, supplemented or amended from time to time prior to and during the Work. In addition, I agree to indemnify you for any damages arising from any failure to fully conform to all of the foregoing.

15. As security for the faithful performance and observation by me of the terms and conditions of this Agreement, I am concurrently herewith delivering to you a check payable to 340 East 74<sup>th</sup> Street Owner's Corp. in an amount to the greater of (a) \$2,500 or (b) ten percent (10%) of the total cost of the Work (including cost of equipment to be installed) up to a maximum of \$15,000, the proceeds of which shall be deposited in a non-interest bearing account upon your acceptance of this Agreement. In the event that I or persons engaged by me to perform the Work cause loss, cost or expense to the Corporation or its property, including without limitation any loss, cost or expense arising from or relating to (a) the fees of any architect or engineer engaged by you to review the plans and specifications or to review from time to time the progress of the Work; (b) the fees of your attorneys engaged in the event of my breach or alleged breach of the provisions of this Agreement, or otherwise in connection with the Work; (c) damage to the plumbing, electrical or other Building Systems, the Building structure or the flooring or walls in the Building's hallways or to other common areas (including but without limitation, the cost of plastering, painting, cleaning, shampooing or repairing the same if soiled or otherwise damaged); or (d) restoration of the Apartment or Building by you pursuant to the terms hereof. I agree that you may use, apply or retain the whole or any part of the security so deposited and any interest earned thereon to the extent required for the payment thereof. If I shall comply with all of the terms and conditions of this Agreement, I understand that the security deposit or remaining balance thereof, without interest, if any, shall be returned to me within thirty (30) days after completion of the Work.
- 16. I shall deliver a check in the amount of either (a) \$575 for a Minor Alteration, (b) \$1,500 for a Major Alteration, or (c) \$3,000 for a Major Extended Alteration payable to 340 East 74<sup>th</sup> Street Owner's Corp. as a non-refundable Alteration Fee. In the event of a request for an Extension Period as defined in paragraph 5(d), I will submit payment of either (a) \$1000 for a thirty-day extension or (b) \$2,500 for a sixty-day extension. Payment for Extension Period is due upon request for extension, and under no circumstances may work continue beyond original Completion Date without approval from the Corporation. If the work is still not completed within the extension period, I agree to pay \$500 per work day for the first (10) days beyond the approved extension, \$1000 per work day for the next (20) days beyond the approved extension, and \$1500 per work day for each additional day thereafter.**
17. Notwithstanding anything to the contrary contained in the plans or specifications submitted to you herewith or in any other document whatsoever (including, without limitation, one signed by you or on your behalf), I acknowledge that you have not granted and will not permit, (a) the installation of a sauna, whirlpool, steam room, or electric stove, kiln or similar oven not for cooking purposes, clothes washer and/or dryer or (b) any alterations which would entail cutting into the floor or ceiling slab of the Apartment for electrical, air-conditioning, plumbing work or for any other purpose, and I expressly agree not to cause or permit any such installation or alterations without your prior specific written permission. I further expressly agree not to cause or permit the installation of any other appliance or fixture whatsoever unless the same shall have been labeled on the plans and specifications submitted to you herewith and approved by you in writing.

18. I acknowledge that I have been advised that no workmen will be permitted in the Building without the prior written authorization of the Corporation. I further acknowledge that prior to entering the Building each day, people engaged in the Work will be required to sign a daily log maintained by the Building's maintenance staff and, in connection therewith, to identify the precise nature of the Work to be performed by them on that day; name of the company they are representing; and the workmen will not perform on any day any work other than that identified by them on the daily log for that day. All workmen will receive a daily badge from the Resident Manager or their designee.
19. The use of power tools such as pneumatic jackhammers, electric hammers and other equipment which may disturb other occupants of the Building will not be permitted.
20. My failure to comply with any of the provisions hereof shall be deemed a breach of provisions of the Proprietary Lease, pursuant to which your consent has been granted and, in addition to all other rights, you may also suspend all Work and prevent workmen from entering my Apartment for any purpose other than to remove their tools or equipment. In such event, you may also revoke your permission for me to undertake the alteration.
21. This Agreement may not be changed orally. This Agreement shall be binding on you, me and our personal representatives and authorized assigns.
22. I will be responsible for, and pay, any increase in real estate taxes levied against the Building because of an increase in assessed valuation attributable to and by reason of the alterations and installations herein approved.
23. Any notice pursuant to the terms hereof shall be deemed duly given if in writing, and sent by registered, or certified mail, return receipt requested, addressed to me at the Building, and addressed to the Corporation at the Building with a duplicate notice addressed to the Corporation in care of its Managing Agent. Notice shall be deemed given on the date mailed.

Very Truly Yours,

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Tenant – Shareholder

**PERMISSION GRANTED:**

As Of: \_\_\_\_\_ (Permission Date)

By: \_\_\_\_\_

**ANY DEVIATION FROM WORK APPROVED IN THIS AGREEMENT SHALL VOID  
IN ITS ENTIRETY THE PERMISSION GRANTED HEREIN**