

SALON REALTY CORP. *Licensed Real Estate Broker*

338 East 92nd Street • New York, N.Y. 10128
212-534-3131 • Fax: 212-534-6237
www.SalonRealty.com

ALTERATION AGREEMENT

Please submit the signed alteration agreement along with the following:

- 1) Written description of work to be performed
- 2) Any and all drawings associated with the renovation
- 3) Contact information of contractor, architect, designer, and/or engineer
- 4) Check in the amount of \$350.00 made out to Salon Realty Corp. for processing of agreement and necessary paperwork
- 5) Security deposit as per alteration agreement (if applicable)
- 6) Contractors insurance certificates will be required for all renovations. Please call the management office for insurance requirements and appropriate additional insureds.
- 7) Building department permits as required by management.

COOPERATIVE ALTERATION AGREEMENT*

Date: ,

Board of Directors

Cooperative

New York, New York

Re: Apartment Number(s) _____ (the "Apartment")

New York, New York (the "Building")

To The Board of Directors:

Pursuant to the By-Laws of 165 Housing Corp. Cooperative (the "Cooperative") and the undersigned (the "By-Laws"), the undersigned (herein referred to as the "Shareholder") hereby requests permission of the Board of Directors of the Cooperative (the "Board of Directors") to make the alterations described in the accompanying plans and specifications (herein collectively referred to as the "Work") in the Apartment, which Work shall be completed by _____ (the "Completion Date"), and agrees to the following terms and conditions:

1. **Shareholder's Submissions.** Shareholder herewith delivers to the Board of Directors:

- a. detailed plans, specifications and drawings of the Work, including a room-by-room list of all alterations to be undertaken, and if required by the Board of Directors, detailed plans and specifications (the "Plans") prepared by a licensed architect or engineer (enumerated on Exhibit "A" hereto), which shall not be modified by the Shareholder after they are approved by the Cooperative's architect or engineer without the architect's or engineer's subsequent approval.
 - b. a check with respect to the security payable in connection with this Agreement in the sum of \$ _____ (to be filled in by Management) payable to the Cooperative in accordance with paragraph 14 of this Agreement, if applicable.
-

- c. a check in the sum of \$350) payable to Salon Realty Corp., managing agent for the Cooperative (the "Managing Agent") as a processing fee in connection with this request and the Work, if applicable.

2. Board of Directors Review of Work as Proposed.
Shareholder acknowledges that the Board of Directors may designate an architect or engineer, who shall, at Shareholder's expense, (a) review plans and specifications 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 Cooperative's architect, engineer, the Managing Agent, the superintendent of the Building, or any other person the Board of Directors may authorize, to observe and inspect the Work. Shareholder agrees to make all corrections specified by the Board of Directors as a result of such inspections. Walls between two apartments and walls containing plumbing that is being modified must be inspected prior to closing the walls.

If periodic inspections of the Work are required by the Board of Directors, the Work shall not proceed without the inspection unless the Cooperative's representative fails to inspect the Work within five (5) days after receiving notice of Shareholder's request. The Cooperative's failure to inspect shall not be considered a waiver of the Shareholder's obligation to comply with this Agreement and the approved Plans. Prior to the commencement of the Work, the Board of Directors shall notify the Shareholder as to when inspections will be required.

The Cooperative's architect or engineer shall make reasonable efforts to observe the Work within seventy-two (72) hours after receiving Shareholder's request for an observation visit.

3. Pre-Conditions to Commencement of Work by Shareholder.
Shareholder agrees, before the Work is begun:

- a. Obtain approval from the Board of Directors.
- b. Sign and deliver to the management company "Renovation Deposit Agreement", Submission of Contracts. Upon the request of the Board of Directors or its architect or engineer, to provide the Board of Directors with complete and conformed copies of every agreement made with contractors, subcontractors and suppliers;
- b. Secure and Submit Proof of Needed Governmental Approvals. If required by laws, rules, orders or

governmental regulations, to file plans, forms or applications (including without limitation any asbestos-related forms filed in support of any applications) with, and procure the approval 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, if required, and, not more than ten (10) business days after receipt of such approval, to deliver to the Board of Directors a copy of every permit or certificate issued. The determination of the Cooperative's architect or engineer as to the need for any such approval shall be conclusive;

- c. **Obtain Amended Certificate of Occupancy, If Necessary.** If, under applicable law, the Work requires an amended Certificate of Occupancy for the Building, Shareholder shall (i) indicate on the plans and specifications submitted to the Board of Directors that an amended Certificate of Occupancy will be sought and (ii) file an application describing the Work with the New York City Buildings Department within thirty (30) days of the Board of Directors' written approval of such plans and specifications. A copy of any such application shall be simultaneously submitted to the Board of Directors. If required under applicable law, Shareholder will file an application for an amended Certificate of Occupancy within thirty (30) days after completion of the Work. Shareholder shall diligently pursue obtaining any such amended Certificate of Occupancy and shall keep the Board of Directors informed of the status thereof on a regular basis. The determination of the Cooperative's architect or engineer as to the need for an amended Certificate of Occupancy shall be conclusive.
- d. **Obtain Required Insurance.** To procure from Shareholder's contractor or contractors the insurance policies described on Schedule "A" attached hereto, which policies shall name the Cooperative, the Cooperative's architect or 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 Board of Directors.

All such policies or certificates evidencing the issuance of the same shall be a) with companies that are reasonably acceptable to

the Board of Directors, and b) delivered to the Board of Directors 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 engineer and to the superintendent of the Building and to the Managing Agent of the date the Work shall commence and the estimated duration of the Work.

5. **Work Done at Shareholder's Risk.** Shareholder shall keep the building clean at all times, no construction materials shall be stored for any amount of time in public areas of the building. The contractor shall release the elevator for tenant use after every trip. The front door of the building shall be kept locked at all times. Any damage to the Apartment or other areas of the Building, including, but not limited to the common structure, infrastructure, 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 their insurance carrier and to their 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.

6. **Indemnification by Shareholder.** Shareholder hereby indemnifies and holds harmless the Cooperative, the Cooperative's architect or engineer, the Board of Directors, the Managing Agent, and other Shareholder's and residents of the Building against any damages suffered to persons or property as a result of the Work, whether or not caused by negligence, and for any and all liabilities arising therefrom or incurred in connection therewith. Shareholder shall reimburse the Cooperative, the Cooperative's architect or engineer, Managing Agent, and other Shareholder's and residents of the Building for any losses, costs, fines, fees and expenses (including, without limitation, reasonable attorneys, fees and disbursements) incurred as a result of the Work.

7. **Work Done at Shareholder's Expense.** Shareholder accepts sole responsibility for the Work and for all costs in connection with the Work.

8. Shareholder to Pay for Cooperative's Professional Fees.

If the Cooperative obtains legal, engineering or architectural advice either prior or subsequent to granting permission, Shareholder agrees to reimburse the Cooperative, on demand, for any reasonable fees incurred, and if permission be granted, then, in any event, prior to commencement of the Work. Shareholder understands and agrees that all costs of labor, equipment and materials incurred by the Cooperative, shall be charged to Shareholder. Any such charges shall be billed monthly.

9. 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 local regional trade unions employed in the Work or otherwise cause disharmony with any Building service union.

10. Shareholder's Responsibility for Consequences of Work.

Shareholder assumes 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 Work being performed hereunder. Shareholder assumes all responsibility for 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 shall, when so advised, promptly remove the cause of the problem.

11. Shareholder's Work Not to Change Building Temperature Control System, apartment front door, masonry walls, windows or exterior of the building in any way. Shareholder recognizes that there will be no change in the operation of the Building's heating system (or air-conditioning system, if any) to facilitate the functioning of any heating or air-conditioning units Shareholder may be installing.

12. Deadline for Shareholder's Work and Consequences of Failing to Meet It. Shareholder shall use its best efforts to ensure that the proposed Work is completed expeditiously, but in any event all Work (except solely decorative projects such as installation of carpeting, painting and wall papering) shall be completed by the Completion Date.

Upon Shareholder's written request (which request shall be submitted to the Board of Directors at least sixty (60) calendar days prior to the Completion Date), the Completion Date shall be subject to not more than two extensions of thirty

(30) calendar days upon the Board of Directors' written approval, which approval shall not be unreasonably withheld or delayed. Shareholder shall, before any continuation period begins, provide the Board of Directors with the written reaffirmation of Shareholder and Shareholder's contractors of their continued agreement with all terms and Conditions of this Agreement.

If the Work shall not have been completed by the Completion Date, as extended, the Board of Directors shall have the right to charge the Shareholder liquidated damages for the delay by giving the Shareholder written notice that unless the Work is completed within thirty (30) days thereafter (the "Liquidated Damages Date"), the Board of Directors shall charge the Shareholder and shall be entitled to apply from the funds provided pursuant to paragraph 12 of this Agreement the following amounts as liquidated damages and not as a penalty to compensate the Cooperative for the costs and inconvenience of the continuation of the Work:

- a. \$ 50.00 per day for each additional calendar day the Work remains uncompleted up to and including thirty (30) such days beyond the Liquidated Damages Date;
- b. beyond sixty (60) days, \$ 100.00 per day for each additional calendar day the Work remains uncompleted up to and including the sixty (60) day beyond the Liquidated Damages Date;
- c. beyond ninetv (90) days, \$ 200.00 per day for each additional calendar day that the Work remains uncompleted up to and including the day the Work is completed.

If consent to an extension is not granted, but the Work nonetheless continues, the Board of Directors shall be entitled to apply from the funds provided pursuant to paragraph 14 of this Agreement the amounts set forth in the preceding sentence without prejudice and in addition to all other remedies.

If the funds provided pursuant to paragraph 14 are fully applied, Shareholder agrees to pay all amounts due under this paragraph to the Cooperative in weekly installments, and Shareholder agrees that any consent granted by the Board of Directors under this paragraph 12 may be revoked by the Board of Directors immediately if Shareholder fails to comply with the payment requirements of this paragraph or any other requirements of this Agreement.

All time limitations set forth in this paragraph 12 shall be

extended for delays caused by (a) failure of the Managing Agent and the Building staff to inspect the Work within the time periods set forth in this Agreement or resulting from the Board of Directors' failure to provide services necessary for the completion of the Work, such as elevator service, and (b) delays caused by or attributable to acts of God, unusual weather conditions or strikes not attributable to Shareholder's or Shareholder's contractors, or other agents, bad faith, but in no event shall such permitted extensions exceed () days.

13. **Work Hours and Noise.** The Work shall not be performed, except between the hours of 9:00 a.m. and 4:00 p.m. Monday through Friday. The Work shall not be performed on Saturdays, Sundays and holidays. Activities which produce noise or which are disturbing to Building occupants may not be done before 9:00 a.m. The Board of Directors shall be the sole arbiter should there be any doubt as to noise levels which may be disturbing.

14. **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 Cooperative and execute the renovation agreement. In the event that Shareholder or persons engaged by Shareholder to perform the Work cause loss, cost or expense to the Cooperative, including without limitation any loss, cost or expense arising from or relating to:

- a. the fees of the Cooperative's architect or engineer to review the plans and specifications or to review from time to time the progress of the Work;
- b. the fees of the Cooperative'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 carpeting or wallpaper/paint in the Building's hallways or to any common element (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 15 of this Agreement, or
- e. any other expenses incurred by the Cooperative in connection with any complaints or breach of this Agreement,

Shareholder agrees that the Cooperative 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 Cooperative to stop all work hereunder, 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 or remaining balance thereof, if any, shall be returned to Shareholder.

15. **Certain Precautions To Be Taken By Shareholder.** Shareholder will take or cause their contractors to take all precautions necessary to prevent injury 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.

16. **Prohibited Construction Methods.** Shareholder will not interfere or permit interference with the Building's intercom system, gas, electric or any other service.

17. **All Valves to Remain Accessible.** Shareholder agrees that all water, steam, and gas valves will be reasonably accessible, and all water supply devices in tenant's (shareholder) apartment shall have easy access to shut off valves.

18. **Exterior Walls to Remain Intact.** Shareholder agrees that exterior masonry walls shall not be penetrated.

19. **Use of Public and Common Areas During Work.** Shareholder will not allow the sidewalks, courtyards and other public areas to be used for the storage of building materials or debris and agrees that the floor of the back halls to be used in connection with the Work will be covered with construction paper during the Work. If the Work mars or damages the back hall, stairs, or elevators, the Board of Directors may repair them at Shareholder's expense upon the completion of the Work if Shareholder shall fail to promptly to do so and Shareholder shall promptly pay all reasonable bills for such repairs.

20. **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 understands and agrees that window guards must be installed as required by law if a child or children ten (10) years old or under resides in the Apartment.

21. Fire Exits to Remain Accessible. Shareholder agrees that the Work shall not block access to any fire exits in the Building.

22. Shareholder to Control Refuse, Dirt, Dust, etc. 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 only the service 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 overnight in front of the Building and shall not permit any dumpster or garbage container to be left for more than five (5) consecutive days at the sides of the Building. Notwithstanding the foregoing, the placement of any dumpsters must comply with all governmental regulations, including without limitation, obtaining any necessary permits.

22a. Shareholder shall keep common areas of building clean at all times.

23. Shareholder to Reopen Enclosed Areas. If any portion of the Work should be enclosed contrary to the provisions of this Agreement, if requested in writing by the architect or engineer, such portion shall be uncovered at Shareholder's expense for observation. Such enclosure shall be opened and replaced at Shareholder's expense.

24. Shareholder to Deliver Certificates. Promptly after the completion of the Work, Shareholder shall deliver to the Board of Directors: (a) an amended Certificate of Occupancy and a certificate of the Board of Fire Underwriters, if either be required, (b) such other proof as the Board of Directors may reasonably require to establish that the Work has been done in accordance with all applicable laws, ordinances and government regulations, and (c) a statement from the architect or engineer who signed Shareholder's original plans that the Work has been executed in conformance with those plans. As long as the Shareholder complies with this Agreement and there is no cost or other obligation to the Cooperative, the Board of Directors shall execute the forms required by the government entity having jurisdiction over the Building in order to permit the Work to proceed.

25. 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.

25a. Ventilation duct intake, building kitchen exhaust vents shall not be closer than 4 inches from cooking device. All exhaust grills shall have fusible link.

26. Shareholder to Correct Work Rejected by the Board of Directors. Shareholder shall promptly correct all parts of the Work (whether or not such work is fabricated, installed or completed) rejected by the Board of Directors because of its failure to conform to the plans and specifications previously approved by the Board of Directors 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 Cooperative. Shareholder shall bear all costs of correcting such rejected parts of the Work, including the compensation for additional services of any architect or engineer made necessary thereby.

27. Responsibility of Shareholder and Shareholder's Successor in Interest.

a) Shareholder agrees that the responsibility for maintaining and repairing the Work remains with Shareholder and Shareholder's successor-in-interest in residence in Shareholder's apartment, including, but not limited to, the cost of removing or reinstalling all or any part of the Work.

b) If the Work involves changes to the plumbing lines servicing the Apartment, Shareholder agrees that Shareholder and Shareholder's successor-in-interest shall be fully responsible for the future repair and maintenance of the plumbing lines servicing Shareholder's apartment and any equipment installed as part of the Work, including without limitation, any and all costs relating to leakage and/or seepage in Shareholder's apartment and/or adjacent apartments. In the event that there is a complaint concerning noise, vibration or exhaust heat from any equipment installed by Shareholder, Shareholder shall, after notice, make immediate repairs or adjustments to eliminate the cause of the complaint and if this is not possible, to remove any such equipment promptly upon order of the Board of Directors.

c) Shareholder or Shareholder's successor-in-interest i) shall advise each subsequent purchaser of 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 each Purchaser; and iii) waive any claim or cause of action against the Cooperative, the Board of Directors or the managing agent of the Building, for advising a potential Purchaser of the obligations of the owner of the Apartment under this Agreement.

28. **Liability of Shareholder and Shareholder's Successor-in-Interest.** Shareholder further agrees that Shareholder and Shareholder's successor in-interest in residence in the Apartment shall bear any and all costs for any plumbing leaks or other conditions which cause damage to adjacent apartments or other apartments in the Building, if such leakage or damage results from alterations made or equipment installed as part of the Work.

29. **Asbestos.** Shareholder 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 abatement-work. In addition, Shareholder agrees to indemnify the Cooperative for any and all loss, costs, expenses (including without limitation reasonable attorney's fees and disbursements), damages, liabilities or fines: (i) arising from failure by Shareholder or any consultant or contractor retained by Shareholder to fully conform to all of the foregoing, or (ii) incurred by the Cooperative in the defense of any suit, action, claim or violation in connection with the abatement-work.

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

31. **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.

32. **Shareholder's Breach and Cooperative's Remedies.** SHAREHOLDER'S FAILURE TO COMPLY WITH ANY OF THE PROVISIONS HEREOF SHALL BE DEEMED A BREACH OF THE PROVISIONS OF THE BY-LAWS, PURSUANT TO WHICH THE BOARD OF DIRECTORS' CONSENT HAS BEEN GRANTED, AND, IN ADDITION TO ALL OTHER RIGHTS, THE COOPERATIVE MAY ALSO SUSPEND ALL WORK AND PREVENT WORKMEN FROM ENTERING THE APARTMENT FOR ANY PURPOSE OTHER THAN TO REMOVE THEIR EQUIPMENT. IN SUCH EVENT, THE BOARD OF DIRECTORS 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. SHAREHOLDERS HEREBY AGREES TO STOP ALL WORK WHEN REQUESTED BY THE BOARD OF DIRECTORS.

33. 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 10 years old or under lives or resides in the Apartment pursuant to Section 131.15 of the New York City Health Code.

34. By executing this Alteration Agreement the Board of Directors is granting permission to the Shareholder to perform the Work pursuant to the Plans and this Agreements, as amended.

This permission can be revoked at any time on written notice to the Shareholder as a result of Shareholder's or its agents violation of the terms of this Agreement. The Board of Directors also agrees to perform its obligations under this Agreement.

35. The Shareholder shall cause the Shareholder's contractors and/or workers to use safe work practices during the work and take precautions to prevent the spread of dust and debris which may contain lead.

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) covering 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.

The Shareholder shall receive assurances acceptable to the Board of Directors from the Shareholder's contractors and/or workers that they have knowledge of lead-based paint hazards and they will perform the work and clean-up the work in a manner which will avoid creating lead-based paint hazards.

The Shareholder shall perform the work in compliance with the Administrative Code of the City of New York as amended by Local Law 38 of 1999 which, among other things, prohibits dry scraping and dry sanding of lead-based paint or paint of unknown lead content in any apartment (Admin. Code §17-181), and 28 NYCRR § 11-02 which requires the correction of all lead-based paint hazards. The Shareholder shall perform the work using the exclusive interim controls set forth in Admin. Code §27-2056.2 which are outlined on the attachment hereto.

Very truly yours,

Shareholder

Print Name _____

Consent to

Alteration Granted:

Cooperative

By: _____

Shareholder
165 Housing Corp.
New York, NY 10019

July 23, 2007

Re: 165 Housing Corp. Alteration Agreement

Dear Shareholder:

Enclosed please find one copy of the Cooperative's Alteration Agreement. Please review the documents carefully. If all is in order, please sign and return eight (8) copies and eight (8) copies of the required documents to me. Please include a detailed room-by-room description of what work you would like to perform along with drawings and specifications and an approved contractors proposal and insurance certificate naming both the building and Salon Realty Corp. as additional insured's. This includes Plumbers and Electricians. Please also note that once a wall is open or exposed it must be inspected before you close up the wall. If the Board finds it necessary to reopen the wall it will be at your own expense.

Any and all drawings must have the following items listed on them:

1. "No walls shall be closed with inspection."
2. Page # 7, paragraph 13 stating the work hours.
3. Page # 8, paragraph 17 concerning valves.
4. "Shareholder shall keep public areas clean at all times."
5. Page # 10, paragraph 25a concerning ventilation.

Please enclose a check payable to Salon Realty Corp., in the amount of \$350⁰⁰ representing the managing agent's fee.

Please note that the Board will impose a security deposit, which is fully refundable upon inspection by the Board providing that no damage has occurred. Also enclosed is a Notice of Renovation form. Should your request be approved, please complete two copies of the Notice. Hang one on your apartment door and post one on the bulletin board by the mailboxes.

Also, if your alterations include any electrical work, please include the installation of a hard-wired smoke detector in your plans.

If you have any questions please feel free to call me at (212) 534-3131 Ext. 105

Thank you,
Salon Realty Corp.
Joshua Salon
As agent for 165 Housing Corp.

NOTICE OF RENOVATION

Unit # _____

Date _____

Name: _____

Dear Neighbors:

Please be advised that I will begin doing renovations in my unit commencing _____. The renovation work is scheduled to take approximately _____ days/weeks/months. During the renovation my contractors and I will take all necessary steps to not inconvenience the residents of the building. However, if it becomes necessary to interrupt any building services, I will inform Salon Realty Corp. and get their consent. If consent is granted, I will post notices in the building, prior to the interruption, informing you as to what service will be interrupted and for approximately how long.

My contractors will only work Monday to Friday (excluding legal holidays), between the hours of 8:30am and 4:00pm. No work that might be disturbing to building occupants will be done before 10am. At the end of each workday, my contractors and I will see to it that the public areas of the building are cleaned. If there is a breach of any of these guidelines, please call Mark Dearing (646) 423-6730 or myself at _____ or my contractor at _____.

I appreciate your anticipated understanding during my renovation.

Sincerely,