

336 TENANTS CORP.
SUBLETTING APARTMENTS
GUIDELINES AND GENERAL CONDITIONS FOR BOARD CONSENT

NOTE: These guidelines and general conditions are for the information and convenience of tenant shareholders of 336 Tenants Corp. (the "Corporation"). They are designed and intended to assist tenant shareholders with planning their affairs. They are further intended to clarify how the Board of Directors of the Corporation (the "Board") may approach certain situations and to specify particular requirements that will be enforced in specific situations. These guidelines and conditions are not, however, intended to limit or abrogate the right of the Corporation or the Board to take any action, consider or act upon any information or otherwise proceed in any manner deemed necessary, appropriate or convenient, consistent with the express terms of the Proprietary Lease, and in the best interests of the Corporation and its tenant shareholders. Any tenant shareholder considering a sublet or other action covered herein should consult the managing agent or the Board with respect to any questions concerning their own particular situation.

1. The Proprietary Lease provides as follows:

"The Lessee shall not sublet the whole or any part of the apartment or renew or extend any previously authorized sublease, unless consent thereto shall have been duly authorized by a resolution of the Board of Directors, or given in writing by a majority of the Board of Directors or, if the Board of Directors shall have failed or refused to give such consent, then by lessees owning at least 66-2/3% of the then issued and outstanding shares of the Lessor."

2. The Board has considered (i) the nature of the cooperative apartment community residing at 336 Central Park West, (ii) the general welfare and security of the building and its residents, (iii) the reasonable needs and desires of tenant shareholders and prospective tenant shareholders in the building, (iv) the differences in commitment to and investment in the building and the community between a subletting tenant and a shareholder tenant, (v) the long-standing intention of the cooperative and its shareholder tenants that the building should generally be owner-occupied and that Apartments should be purchased and held for residential purposes and not for speculative purposes, and (vi) the costs and expenses (both direct and indirect) that typically arise from changes in occupancy of an Apartment. Based upon these and other considerations, the Board has determined the terms and conditions of these "Guidelines and General Conditions for Board Consent" to be reasonable within the meaning of the requirement to be reasonable in the Proprietary Lease.

3. The term of any proposed sublease shall be for a minimum of six (6) months and shall not exceed one (1) year ("Initial Term"). A tenant shareholder shall seek Board consent for an extension of an expiring one-year sublease for a period of up to one additional year ("Extension Term"). No such extension shall be granted to if during the term of the previous sublet, the tenant shareholder or sublessee was found by the Board to be in violation of the Proprietary Lease, the House Rules or other applicable building policies.

4. Requests for extension of existing subleases shall be submitted not earlier than one hundred eighty (180) days and not later than ninety (90) days prior to the expiration of the sublease term.

5. No sublease plus any approved extensions may exceed two (2) years in duration. At the conclusion of the occupancy of an Apartment by a sublessee, the sublessee shall be required to vacate the Apartment and the tenant shareholder shall be required to resume occupancy of the Apartment. Such tenant shareholder shall be required to maintain occupancy of the Apartment for at least two (2) years before submitting any new applications for new subleases of the Apartment.

6. The Board shall take into account the following criteria in its consideration of applications to sublease Apartments:

a. The tenant shareholder seeking the Board's consent to sublet his/her Apartment should have occupied the apartment for a continuous period of two (2) years prior to the request to sublet. This requirement shall not apply to a tenant shareholder who acquires another Apartment in the building and wishes to obtain the Board's consent to sublet the newly acquired Apartment.

b. The tenant shareholder seeking the Board's consent to sublet an Apartment must be in compliance with his/her obligations to the Corporation under the Proprietary Lease and should not have exhibited a pattern of failing to observe such obligations in the three (3) year period preceding such application.

c. The tenant shareholder seeking the Board's consent to sublet his/her Apartment should not have been found by the Board to have engaged in persistent, recurring conduct in violation of the House Rules or otherwise the subject of complaints by other tenant shareholder, which complaints the tenant shareholder failed to remediate after having been requested to do so by the Board or the managing agent.

7. Application for Board consent for subletting an Apartment shall be commenced by submitting a standard form of sublease approval application to the managing agent. Such application must be completed and filed at least forty-five (45) days in advance of the proposed effective date of the sublease and the sublessee's subtenancy. No application will be treated as properly completed and submitted if it does not identify all persons proposed to sublet the Apartment as sublessees. Forms of sublease approval application may be obtained from the managing agent or by downloading a copy from the building website (www.336CPW.org).

8. The sublease application shall be accompanied by the **payment by the tenant shareholder** of the following fees:

- Corporate Sublet Fee: **\$500.00** check payable to 336 Tenants Corp. (non-refundable).
- Move-Out Fee: **\$150.00** check payable to 336 Tenants Corp. if furniture is being moved in or out (non-refundable).
- Move-Out Deposit: **\$1,000.00** check payable to 336 Tenants Corp. if furniture is being moved in or out (refundable, subject to no damage to the building).
- Sublet Processing Fee: **\$300.00** check payable to **Orsid Realty Corp.** (non-refundable)

9. The sublease application shall be accompanied by the following documents:

- A fully executed copy of the proposed sublease agreement prepared on the basis of the standard sublease form to be obtained from the managing agent (or by downloading a copy from the building's website (www.336CPW.org)).

- A certificate evidencing a standard renter's or cooperative owner's insurance policy covering the subject Apartment and naming 336 Tenants Corp. and **Orsid Realty Corp.** as additional insureds.
- Written consent from any lending institution holding a security interest in the shares, proprietary lease and premises relating to the Apartment to be sublet (to the extent required by that institution).

10. The sublease application shall be accompanied by the **payment by the subtenant** of the following fees:

- Application Fee: **\$150.00** check payable to **Orsid Realty Corp.** (non-refundable).
- Move-In Fee: **\$150.00** check payable to 336 Tenants Corp. if furniture is being moved in (non-refundable)
- Move-Out Deposit: **\$1,000.00** check payable to 336 Tenants Corp. if furniture is being moved in or out (refundable, subject to no damage to the building).
- Credit Report Fee: **\$50.00** check per subtenant individual payable to **Orsid Realty Corp.** for a credit report(s) (non-refundable)

11. The following additional fees shall be payable by the tenant shareholder:

- a. Twenty five percent (25%) of the maintenance during the Initial Term.
- b. Thirty percent (30%) of the maintenance during the Extension Term, if so applicable.

All such fees will be billed by the Corporation, via Orsid Realty Corp. directly to the tenant shareholder on the monthly maintenance bill.

12. The Board may require a personal interview with the proposed sublessee and all individuals who intend to reside in the Apartment proposed to be sublet.

13. With respect to Occupancy of the Apartment, the Proprietary Lease provides as follows:

“The Lessee shall not, without the written consent of the Lessor on such conditions as Lessor may prescribe, occupy or use the apartment or permit the same or any part thereof to be occupied or used for any purpose other than as a private dwelling for the Lessee, any member of Lessee's ‘immediate family’ (as defined in Paragraph 16(a)(vii)(C) hereof), domestic employees, and health care providers”

The Board believes – and has been so advised – that the above quoted provision permits any of the named blood relatives included as "immediate family" to live in the Apartment, so long as the tenant shareholder or his or her spouse is also residing in the Apartment. The Board also believes individual cases in which members of the immediate family propose to occupy an Apartment without the tenant shareholder or his or her spouse also residing in the Apartment should be considered and treated on a case-by-case basis taking into account all relevant circumstances. In such cases, the Board retains complete flexibility to enforce the terms of the Proprietary Lease as written and to treat the proposed residency as a proposed subletting of the Apartment.

14. The Board takes notice of the fact that tenant shareholders from time to time have occasion to offer residency in their Apartment for some period of time to a person who is a close relation of the tenant shareholder or of a member of his or her immediate family but is not a member of the tenant shareholder's "immediate family." In every such case, the tenant shareholder proposing such an arrangement should give the Board (through the managing agent) advance notice thereof

and should include with such notice the identity of the person who will reside in the Apartment, the relationship of such person to the tenant shareholder or member of his or her family and the expected duration of the proposed residency. It is the policy of the Board to treat such cases on a case-by-case basis taking into account all relevant circumstances. In all such cases, the Board retains complete flexibility to enforce the terms of the Proprietary Lease as written and to treat the proposed residency as a proposed subletting of the Apartment.