THIS PLAN HAS BEEN AMENDED. SEE INSIDE COVER.

150NASSAU
at city hall park

CONDOMINIUM OFFERING PLAN

150 NASSAU STREET
NEW YORK, NEW YORK 10038

Amount of Offering for 45 Residential Units.....$71,265,000.

(The Condominium will also include a Retail Unit, a Reserved Unit and a Garage Unit (collectively, "Commercial Units"). Neither the Retail Unit, the Reserved Unit nor the Garage Unit are being offered for sale hereunder.

SPONSOR

2 Spruce Street LLC
500 Fifth Avenue, 40th Fl.
New York, New York 10110

SELLING AGENT

Douglas Elliman
575 Madison Avenue, 2nd Floor
New York, New York
212-577-0400

Filing Date of this Offering Plan: October 30, 2001

This Offering Plan may not be used after October 29, 2002, unless this Offering Plan is extended by amendment.

This Offering Plan contains Special Risks to Purchasers. See Page 1.

THIS OFFERING PLAN IS SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS OFFERING PLAN AND TO FILE THIS OFFERING PLAN WITH THE NEW YORK STATE DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING TO SELL ANY CONDOMINIUM UNIT. FILING WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

FIFTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

150 NASSAU CONDOMINIUM
150 NASSAU STREET
NEW YORK, NEW YORK

Dated: June 25, 2002

TABLE OF CONTENTS

Section **Page**

Introduction....1

1. Price Changes....1

2. Incorporation of Plan....1

3. Definitions....1

4. No Material Changes....1

5. Extension of Plan....1

Exhibit

A Schedule of New Purchase Prices

FIFTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

INTRODUCTION

This Fifth Amendment modifies and supplements the terms of the Condominium Offering Plan for the premises known as the 150 Nassau Condominium ("Condominium") located at 150 Nassau Street, New York, New York ("Building"), dated October 30, 2001 ("Plan"), and should be read in conjunction with the Plan, as previously amended.

The terms of this Fifth Amendment are as follows:

1. PRICE CHANGES

Annexed to this Amendment as Exhibit "A" is a revised Section of the Plan entitled "Schedule A – Purchase Prices and Related Information" which reflects the current increased purchase prices for the Unsold Units being offered for sale.

2. INCORPORATION OF PLAN

The Plan, as modified and supplemented by this Amendment, is incorporated herein by reference with the same effect as if set forth at length.

3. DEFINITIONS

Any term used in this Amendment not otherwise defined herein shall have the same meaning ascribed to it in the Plan.

4. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes of facts or circumstances affecting the Property or the offering.

5. EXTENSION OF PLAN

As this Amendment is limited solely to price changes, this Amendment does not extend the Plan.

SPONSOR:

2 SPRUCE STREET, LLC

EXHIBIT "A"

SCHEDULE A PURCHASE PRICES AND RELATED INFORMATION

SCHEDULE A

150 NASSAU STREET
NEW YORK, NEW YORK

SCHEDULE OF OFFERING PRICES AND OTHER RELATED INFORMATION
(Projected financial information for the first year of condominium operation based on projected commencement on December 1, 2002)

Unit	(1) Number of Bedrooms and Baths	(2) Approx Area (Sq.Feet)	(3) Offering Price	(4) Percentage Interest in Residential Common Elements	(4) Percentage Interest in General Common Elements	(5) Projected Monthly Common Charges	(6) Projected Monthly Real Estate Taxes		(7) Projected Total Monthly Common Charges and Real Estate Taxes	
							Assuming 421-G Benefits	Assuming no 421-G Benefits	Assuming 421-G Benefits	Assuming no 421-G Benefits
2A	2/2 T	1711	$ 860,000	1.1758%	1.0500%	$1,066.11	$275.30	$631.15	$1,341.41	$1,697.26
2B	3/3+T	2512	$ 1,695,000	1.6797%	1.5000%	$1,523.02	$393.28	$901.64	$1,916.30	$2,424.66
2C	2/2	1571	$ 1,100,000	1.0638%	0.9500%	$964.58	$249.08	$571.04	$1,213.66	$1,535.62
2D	2/2	1483	$ 1,050,000	1.0414%	0.9300%	$944.27	$243.84	$559.02	$1,188.11	$1,503.29
3A	1/1	670	$ 308,250	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
3B	1/1	662	$ 328,850	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
3C	1/1	650	$ 343,553	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
3D	1/1	692	$ 429,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
3E	1/1	609	$ 451,500	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
3F	1/1	698	$ 393,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
3G	1/1	694	$ 415,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
3H	1/1	758	$ 449,375	0.5151%	0.4600%	$467.06	$120.61	$276.50	$587.67	$743.56
3I	0/1	466	$ 295,375	0.2576%	0.2300%	$233.53	$60.30	$138.25	$293.83	$371.78
3J	1/1	901	$ 607,716	0.5375%	0.4800%	$487.37	$125.85	$288.52	$613.22	$775.89
4A	1/1	670	$ 313,400	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
4B	1/1	662	$ 334,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
4C	1/1	650	$ 348,700	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
4D	1/1	692	$ 435,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
4E	1/1	609	$ 457,000	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
4F	1/1	698	$ 399,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
4G	1/1	694	$ 421,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
4H	1/1	766	$ 454,750	0.5151%	0.4600%	$467.06	$120.61	$276.50	$587.67	$743.56
4I	0/1	481	$ 300,750	0.2912%	0.2600%	$263.99	$68.17	$156.28	$332.16	$420.27
4J	0/1	322	$ 198,625	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
4K	0/1	496	$ 256,125	0.3024%	0.2700%	$274.14	$70.79	$162.29	$344.93	$436.44
5A	1/1	670	$ 339,150	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
5B	1/1	662	$ 359,750	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
5C	1/1	650	$ 374,450	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
5D	1/1	692	$ 462,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
5E	1/1	609	$ 484,500	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
5F	1/1	698	$ 426,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
5G	1/1	670	$ 448,500	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
5H	2/2	1071	$ 702,000	0.7279%	0.6500%	$659.98	$170.42	$390.71	$830.40	$1,050.69
5I	0/1	332	$ 187,875	0.2016%	0.1800%	$182.76	$47.19	$108.20	$229.96	$290.96
5J	0/1	311	$ 198,625	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79

6/25/0212:29 PM1,3

5K		0/1	496	$	261,500	0.3024%	0.2700%	$274.14	$70.79	$162.29	$344.93	$436.44
6A		1/1	670	$	334,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
6B		1/1	660	$	354,600	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
6C		1/1	649	$	369,300	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
6D		1/1	689	$	457,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
6E		1/1	608	$	479,000	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
6F		1/1	697	$	421,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
6G		1/1	668	$	443,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
6H		2/2	1071	$	712,750	0.7279%	0.6500%	$659.98	$170.42	$390.71	$830.40	$1,050.69
6I		0/1	332	$	193,250	0.2016%	0.1800%	$182.76	$47.19	$108.20	$229.96	$290.96
6J		0/1	311	$	204,000	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
6K		0/1	496	$	266,874	0.3024%	0.2700%	$274.14	$70.79	$162.29	$344.93	$436.44
7A		1/1	668	$	334,300	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
7B		1/1	657	$	364,900	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
7C		1/1	647	$	379,600	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
7D		1/1	683	$	473,500	0.4591%	0.4100%	$416.29	$107.50	$246.45	$523.79	$662.74
7E		1/1	606	$	495,500	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
7F		1/1	695	$	437,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
7G		1/1	666	$	459,500	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
7H		2/2	1068	$	723,500	0.7279%	0.6500%	$659.98	$170.42	$390.71	$830.40	$1,050.69
7I		0/1	332	$	198,625	0.2016%	0.1800%	$182.76	$47.19	$108.20	$229.96	$290.96
7J		0/1	311	$	209,375	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
7K		0/1	496	$	272,250	0.3135%	0.2800%	$284.30	$73.41	$168.31	$357.71	$452.60
8A		1/1	668	$	354,600	0.4591%	0.4100%	$416.29	$107.50	$246.45	$523.79	$662.74
8B		1/1	657	$	375,200	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
8C		1/1	647	$	389,900	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
8D		1/1	683	$	490,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
8E		1/1	606	$	512,000	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
8F		1/1	695	$	454,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
8G		1/1	666	$	476,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
8H		2/2	1068	$	734,250	0.7279%	0.6500%	$659.98	$170.42	$390.71	$830.40	$1,050.69
8I		0/1	332	$	204,000	0.2016%	0.1800%	$182.76	$47.19	$108.20	$229.96	$290.96
8J		0/1	311	$	214,750	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
8K		0/1	496	$	277,625	0.3135%	0.2800%	$284.30	$73.41	$168.31	$357.71	$452.60
9A		1/1	668	$	364,900	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
9B		1/1	657	$	385,500	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
9C		1/1	647	$	400,200	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
9D		1/1	683	$	506,500	0.4591%	0.4100%	$416.29	$107.50	$246.45	$523.79	$662.74
9E		1/1	606	$	528,500	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
9F		1/1	695	$	470,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
9G		1/1	666	$	481,875	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
9H		2/2	1068	$	745,000	0.7167%	0.6400%	$649.82	$167.80	$384.70	$817.62	$1,034.52
9I		0/1	332	$	209,375	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
9J		0/1	311	$	220,125	0.1792%	0.1600%	$162.46	$41.95	$96.17	$204.41	$258.63
9K		0/1	496	$	283,000	0.2912%	0.2600%	$263.99	$68.17	$156.28	$332.16	$420.27
10A	C	2/2.5	1,798	$	945,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
10B	C	3/3.5	2,365	$	1,625,000	1.6444%	1.4800%	$1,491.03	$388.04	$889.62	$1,879.06	$2,380.64
10C	C	3/3	1,798	$	1,475,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
10D	C	2/2	1,307	$	920,000	0.9111%	0.8200%	$826.11	$214.99	$492.90	$1,041.10	$1,319.00
11A	C	2/2.5	1,793	$	970,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
11B	C	3/3.5	2,353	$	1,650,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
11C		3/3	1,793	$	1,500,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65

11D	C	2/2	1,307	$	945,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
12A	C	2/2.5	1,792	$	995,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
12B	C	3/3.5	2,353	$	1,675,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
12C		3/3	1,793	$	1,525,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
12D		2/2	1,306	$	970,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
13A	C	2/2.5	1,792	$	1,020,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
13B		3/3.5	2,353	$	1,700,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
13C		3/3	1,793	$	1,550,000	1.2889%	1.1600%	$1,168.64	$304.14	$697.27	$1,472.78	$1,865.91
13D		2/2	1,305	$	995,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
14A	C	2/2.5	1,797	$	1,045,000	1.2667%	1.1400%	$1,148.49	$298.89	$685.24	$1,447.39	$1,833.74
14B		3/3.5	2,365	$	1,070,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
14C		3/3	1,798	$	1,575,000	1.3000%	1.1700%	$1,178.72	$306.76	$703.28	$1,485.48	$1,881.99
14D		2/2	1,305	$	1,020,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
15A	C	2/2.5	1,792	$	1,070,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
15B		3/3.5	2,353	$	1,750,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
15C		3/3	1,793	$	1,600,000	1.2889%	1.1600%	$1,168.64	$304.14	$697.27	$1,472.78	$1,865.91
15D		2/2	1,305	$	1,045,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
16A	C	2/2.5	1,792	$	1,095,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
16B		3/3.5	2,353	$	1,775,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
16C		3/3	1,793	$	1,625,000	1.2889%	1.1600%	$1,168.64	$304.14	$697.27	$1,472.78	$1,865.91
16D		2/2	1,305	$	1,070,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
17A		2/2.5	1,788	$	1,270,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
17B		3/3.5	2,353	$	1,800,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
17C		3/3	1,793	$	1,650,000	1.2889%	1.1600%	$1,168.64	$304.14	$697.27	$1,472.78	$1,865.91
17D		2/2	1,305	$	1,095,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
18A		2/2.5	1,797	$	1,395,000	1.2667%	1.1400%	$1,148.49	$298.89	$685.24	$1,447.39	$1,833.74
18B		3/3.5	2,365	$	1,850,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
18C		3/3	1,798	$	1,700,000	1.3000%	1.1700%	$1,178.72	$306.76	$703.28	$1,485.48	$1,881.99
18D		2/2	1,305	$	1,120,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
19A		2/2.5	1,723	$	1,470,000	1.2222%	1.1000%	$1,108.20	$288.41	$661.20	$1,396.60	$1,769.40
19B		3/3.5	2,241	$	1,900,000	1.5889%	1.4300%	$1,440.65	$374.93	$859.56	$1,815.58	$2,300.21
19C		3/3	1,783	$	1,750,000	1.3000%	1.1700%	$1,178.72	$306.76	$703.28	$1,485.48	$1,881.99
19D	C	2/2	1,305	$	1,195,000	0.9333%	0.8400%	$846.26	$220.24	$504.92	$1,066.50	$1,351.18
20A		2/2.5	1,723	$	1,545,000	1.2333%	1.1100%	$1,118.27	$291.03	$667.21	$1,409.30	$1,785.48
20B		3/3.5	2,241	$	1,975,000	1.6000%	1.4400%	$1,450.73	$377.55	$865.57	$1,828.28	$2,316.30
20C		3/3	1,783	$	1,825,000	1.3111%	1.1800%	$1,188.79	$309.38	$709.29	$1,498.17	$1,898.08
20D	C	2/2	1,305	$	1,270,000	0.9444%	0.8500%	$856.33	$222.86	$510.93	$1,079.19	$1,367.26
Penthouse		4/6.5 T	6,937	$	10,000,000	7.2667%	6.5400%	$6,592.74	$1,714.71	$3,931.14	$8,307.45	$10,523.88
Garage			12,671	$	3,200,000		6.0100%	$2,084.08	$1,575.75	$3,612.56	$3,659.83	$5,696.64
Retail			5,686				4.2500%	$1,842.42	$1,114.30	$2,554.64	$2,956.72	$4,397.06
Totals 125 Residential Units			141,313	$	105,562,943	100.00%	89.74%	$90,670.50	$23,528.78	$53,941.97	$114,199.28	$144,612.47
Totals Residential & Garage			153,984	$	108,762,943		95.75%	$92,754.58	$25,104.53	$57,554.53	$117,859.11	$150,309.11
Totals All Units			159,670	$	108,762,943		100.00%	$94,597.00	$26,218.83	$60,109.17	$120,815.83	$154,706.17

*T = Terrace
*C = Apt In contract

Notes to Schedule A

(1) The room count for each Residential Unit was determined in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York, Inc. Floor Plans for each Unit should be inspected to determine actual dimensions, layout and physical condition prior to Purchasing. The Penthouse has two private roof-top terraces which are denoted as Limited Residential Common Elements.

(2) The square foot area and dimensions of the Units listed in Schedule A, the Declaration or the Floor Plans are approximate and may vary and were obtained by using the method customarily used in New York City to measure new condominium apartments. Estimated dimensions and floor area shown on Schedule A will exceed the Unit's useable floor area. Any Common Elements located within a Unit shall not be considered a part of such Unit.

The actual dimensions, configuration and fenestration (collectively, "unit layout") of a Unit may vary from its Floor Plan due to: (a) changes required by the Buildings Department or other government authorities having jurisdiction; (b) site or other construction conditions; (c) normal construction allowances and variances; and (d) varied masonry bearing wall thicknesses. Purchasers will not be excused from their obligations under the Purchase Agreement: (a) in the event of minor inaccuracies in a Unit's size (a diminution of size of less than 5%, exclusive of interior partitions) or (b) if the Unit is sufficiently completed (with boundary walls and interior partitions installed) and available for inspection before a Purchase Agreement is executed, in which case the unit layout as actually constructed shall supercede and govern any variation, substantial or otherwise, from any and all Floor Plans, drawings and diagrams.

(3) The Purchase Prices and other terms of sale (as more fully set forth in the Section of the Plan entitled "Changes in Prices and Units") of Units may be negotiated by Sponsor and, therefore, may be changed. Accordingly, Purchasers may pay different Purchase Prices for similar Units. The effect of this, as well as the right of Sponsor to change Purchase Prices, is more particularly discussed in the Section of the Plan entitled "Changes in Prices and Units." In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section of the Plan entitled "Closing Costs and Adjustments." If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Unit at the time of Closing. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

(4) (a) The percentage interest of each Unit (the Commercial Units and the Residential Units) in the Common Elements is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit, in accordance with the provisions of Section 339-i (1)(iv) of the Condominium Act.

(b) The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interests of all of the Residential Units in the Condominium.

(5) The estimated monthly Common Charges for each Unit are based on the Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the first year of Condominium operation will be the year from December 1, 2002 through November 30, 2003. The actual first year of Condominium operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on his Unit, mortgage payments under a loan, if any, obtained to finance the purchase of his Unit, the cost of electricity supplied to his Unit which will be separately metered and payable directly to the utility company, the cost of any insurance which he may wish to obtain for his Unit (and which Sponsor strongly urges each Unit Owner to obtain) and the cost of interior repairs and decorations to his Unit. See the Section of the Plan entitled "Schedule B-1 - Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Units.

As discussed in the Section of the Plan entitled "Description of Property and Improvements" Subsection "Services and Facilities", the full range of services and facilities described in the Plan may not be provided until such time as Sponsor has conveyed title to 40% of the Residential Units.

A Purchaser of a Unit will be required to make a contribution at the Closing of Title to his Unit to the Working Capital Fund of the Building. The contribution shall be in an amount equal to 2 months' Common Charges in effect at the time of the Closing of such Unit. It is anticipated that occupancy turnover in the Reserved Unit will be greater than the Residential Units. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details.)

(6) For landmark buildings converted to residential use under the Section 421-g program, the increase in assessed value attributable exclusively to the improvement in the property's physical plant is exempted from real estate taxation (other than special assessments for local improvements) for 13 years. Year 1 through 9, 100% of the tax value attributable to physical increases are exempt, commencing in year 10, the exemption benefits are phased out at 20% per year.

The aggregate real estate taxes during the first year of Condominium operation are expected to be approximately $314,626 with the abatement in place. This amount is based on a projected tax rate of 10% of assessed valuation (based on current commercial use), based on the $3,195,000 pre-construction assessed valuation of the Property for the fiscal tax year 2002-2003. The $11,867,000 post-construction assessed valuation of the Property for the fiscal tax year 2003-2004 will be of no impact as the Section 421-g program exempts the total increased assessed value due to the construction and abates the remainder of the taxes that would be due with respect to the last 2 months of that same fiscal year.

The Sponsor will apply for a Preliminary Certificate of Eligibility for partial tax exemption from the New York City Department of Housing Preservation and Development. It is expected that a permanent Certificate of Occupancy for the entire Building, or a temporary Certificate of Occupancy for all residential areas of the Building will be obtained prior to January 5, 2003 (the taxable status date for the 2003-2004 fiscal year) and that the 13-year period will begin with the 2003-2004 fiscal year. The estimated tax is based on the assumption that the partial exemption will be in effect for the first year of Condominium operation, and that there will not be any change in the taxable status of the Property. No warranty or guarantee is made as to the amount of any tax exemption that will actually be received. In addition, no warranty or guarantee is made that the actual assessed valuation or the assessed valuation for the Property if Section 421-g benefits are granted will be as projected above, that the projected tax rate will be in effectfor all or any portion of the Property during the first year of Condominium operation or the real estate

taxes will be allocated among Units in proportion to the appurtenant Common Interests. In no event will Sponsor, Sponsor's Counsel, Sponsor's Special Tax counsel, the Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind his Purchase Agreement, in the event Section 421-g benefits are not granted or, if granted, in the event the amount of such exemption and the resulting taxes differ from those projected.

If for any reason the aforesaid tax exemption and abatement under Section 421-g is not granted, it is estimated that the aggregate real estate taxes payable with respect to all Residential Units for the first year of Condominium operation will total approximately $650,201.66, assuming (a) an assessed valuation of the Property of $11,867,000 (assuming 35% construction completion as of the taxable status date of January 5, 2002), and (b) a tax rate of 10% for the first 10 months and 10.847% (residential rate) for the remaining 2 months of the First Year.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as a single entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Office of the City Registrar. The apportionment will be based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the project and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. (See the "Attorney's Income Tax Opinion" and the "Attorney's 421-g Real Estate Tax Benefits Opinion" for further details.)

(7) These figures represent the aggregate estimated monthly carrying charges which include estimated Common Charges and estimated real estate taxes. Reference should be made to note (5) of these Notes for certain other "home ownership" costs that may be incurred by Unit Owners.

FOURTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

150 NASSAU CONDOMINIUM
150 NASSAU STREET
NEW YORK, NEW YORK

Dated: June 20, 2002

TABLE OF CONTENTS

Section **Page**

Introduction....1

1. Price Changes....1

2. Incorporation of Plan....1

3. Definitions....1

4. No Material Changes....1

5. Extension of Plan....1

Exhibit

A - Schedule of New Purchase Prices

FOURTH AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

INTRODUCTION

This Fourth Amendment modifies and supplements the terms of the Condominium Offering Plan for the premises known as the 150 Nassau Condominium ("Condominium") located at 150 Nassau Street, New York, New York ("Building"), dated October 30, 2001 ("Plan"), and should be read in conjunction with the Plan, as previously amended.

The terms of this Fourth Amendment are as follows:

1. PRICE CHANGES

Annexed to this Amendment as Exhibit "A" is a revised Section of the Plan entitled "Schedule A – Purchase Prices and Related Information" which reflects the current increased purchase prices for the Unsold Units being offered for sale.

2. INCORPORATION OF PLAN

The Plan, as modified and supplemented by this Amendment, is incorporated herein by reference with the same effect as if set forth at length.

3. DEFINITIONS

Any term used in this Amendment not otherwise defined herein shall have the same meaning ascribed to it in the Plan.

4. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes of facts or circumstances affecting the Property or the offering.

5. EXTENSION OF PLAN

As this Amendment is limited solely to price changes, this Amendment does not extend the Plan.

SPONSOR:

2 SPRUCE STREET, LLC

EXHIBIT "A"

SCHEDULE A PURCHASE PRICES AND RELATED INFORMATION

SCHEDULE A

150 NASSAU STREET
NEW YORK, NEW YORK

SCHEDULE OF OFFERING PRICES AND OTHER RELATED INFORMATION
(Projected financial information for the first year of condominium operation based on projected commencement on December 1, 2002)

	(1)	(2)	(3)	(4)	(4)	(5)	(6)		(7)	
				Percentage Interest in Residential Common Elements	Percentage Interest in General Common Elements	Projected Monthly Common Charges	Projected Monthly Real Estate Taxes		Projected Total Monthly Common Charges and Real Estate Taxes	
Unit	Number of Bedrooms and Baths	Approx Area (Sq.Feet)	Offering Price				Assuming 421-G Benefits	Assuming no 421-G Benefits	Assuming 421-G Benefits	Assuming no 421-G Benefits
2A	2/2 T	1711	$ 860,000	1.1758%	1.0500%	$1,066.11	$275.30	$631.15	$1,341.41	$1,697.26
2B	3/3+T	2512	$ 1,695,000	1.6797%	1.5000%	$1,523.02	$393.28	$901.64	$1,916.30	$2,424.66
2C	2/2	1571	$ 1,100,000	1.0638%	0.9500%	$964.58	$249.08	$571.04	$1,213.66	$1,535.62
2D	2/2	1483	$ 1,050,000	1.0414%	0.9300%	$944.27	$243.84	$559.02	$1,188.11	$1,503.29
3A	1/1	670	$ 283,250	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
3B	1/1	662	$ 303,850	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
3C	1/1	650	$ 293,550	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
3D	1/1	692	$ 379,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
3E	1/1	609	$ 401,500	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
3F	1/1	698	$ 368,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
3G	1/1	694	$ 390,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
3H	1/1	758	$ 349,375	0.5151%	0.4600%	$467.06	$120.61	$276.50	$587.67	$743.56
3I	0/1	466	$ 220,375	0.2576%	0.2300%	$233.53	$60.30	$138.25	$293.83	$371.78
3J	1/1	901	$ 532,716	0.5375%	0.4800%	$487.37	$125.85	$288.52	$613.22	$775.89
4A	1/1	670	$ 288,400	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
4B	1/1	662	$ 309,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
4C	1/1	650	$ 298,700	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
4D	1/1	692	$ 385,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
4E	1/1	609	$ 407,000	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
4F	1/1	698	$ 374,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
4G	1/1	694	$ 396,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
4H	1/1	766	$ 354,750	0.5151%	0.4600%	$467.06	$120.61	$276.50	$587.67	$743.56
4I	0/1	481	$ 225,750	0.2912%	0.2600%	$263.99	$68.17	$156.28	$332.16	$420.27
4J	0/1	322	$ 123,625	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
4K	0/1	496	$ 231,125	0.3024%	0.2700%	$274.14	$70.79	$162.29	$344.93	$436.44
5A	1/1	670	$ 314,150	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
5B	1/1	662	$ 334,750	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
5C	1/1	650	$ 324,450	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
5D	1/1	692	$ 412,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
5E	1/1	609	$ 434,500	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
5F	1/1	698	$ 401,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
5G	1/1	670	$ 423,500	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
5H	2/2	1071	$ 602,000	0.7279%	0.6500%	$659.98	$170.42	$390.71	$830.40	$1,050.69
5I	0/1	332	$ 112,875	0.2016%	0.1800%	$182.76	$47.19	$108.20	$229.96	$290.96
5J	0/1	311	$ 123,625	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
5K	0/1	496	$ 236,500	0.3024%	0.2700%	$274.14	$70.79	$162.29	$344.93	$436.44
6A	1/1	670	$ 309,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
6B	1/1	660	$ 329,600	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
6C	1/1	649	$ 319,300	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
6D	1/1	689	$ 407,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90

Unit		(1) Number of Bedrooms and Baths	(2) Approx Area (Sq.Feet)		(3) Offering Price	(4) Percentage Interest in Residential Common Elements	(4) Percentage Interest in General Common Elements	(5) Projected Monthly Common Charges	(6) Projected Monthly Real Estate Taxes		(7) Projected Total Monthly Common Charges and Real Estate Taxes	
									Assuming 421-G Benefits	Assuming no 421-G Benefits	Assuming 421-G Benefits	Assuming no 421-G Benefits
6E		1/1	608	$	429,000	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
6F		1/1	697	$	396,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
6G		1/1	668	$	418,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
6H		2/2	1071	$	612,750	0.7279%	0.6500%	$659.98	$170.42	$390.71	$830.40	$1,050.69
6I		0/1	332	$	118,250	0.2016%	0.1800%	$182.76	$47.19	$108.20	$229.96	$290.96
6J		0/1	311	$	129,000	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
6K		0/1	496	$	241,875	0.3024%	0.2700%	$274.14	$70.79	$162.29	$344.93	$436.44
7A		1/1	668	$	319,300	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
7B		1/1	657	$	339,900	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
7C		1/1	647	$	329,600	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
7D		1/1	683	$	423,500	0.4591%	0.4100%	$416.29	$107.50	$246.45	$523.79	$662.74
7E		1/1	606	$	445,500	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
7F		1/1	695	$	412,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
7G		1/1	666	$	434,500	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
7H		2/2	1068	$	623,500	0.7279%	0.6500%	$659.98	$170.42	$390.71	$830.40	$1,050.69
7I		0/1	332	$	123,625	0.2016%	0.1800%	$182.76	$47.19	$108.20	$229.96	$290.96
7J		0/1	311	$	134,375	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
7K		0/1	496	$	247,250	0.3135%	0.2800%	$284.30	$73.41	$168.31	$357.71	$452.60
8A		1/1	668	$	329,600	0.4591%	0.4100%	$416.29	$107.50	$246.45	$523.79	$662.74
8B		1/1	657	$	350,200	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
8C		1/1	647	$	339,900	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
8D		1/1	683	$	440,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
8E		1/1	606	$	462,000	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
8F		1/1	695	$	429,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
8G		1/1	666	$	451,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
8H		2/2	1068	$	634,250	0.7279%	0.6500%	$659.98	$170.42	$390.71	$830.40	$1,050.69
8I		0/1	332	$	129,000	0.2016%	0.1800%	$182.76	$47.19	$108.20	$229.96	$290.96
8J		0/1	311	$	139,750	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
8K		0/1	496	$	252,625	0.3135%	0.2800%	$284.30	$73.41	$168.31	$357.71	$452.60
9A		1/1	668	$	339,900	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
9B		1/1	657	$	360,500	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
9C		1/1	647	$	350,200	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
9D		1/1	683	$	456,500	0.4591%	0.4100%	$416.29	$107.50	$246.45	$523.79	$662.74
9E		1/1	606	$	478,500	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
9F		1/1	695	$	445,500	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
9G		1/1	666	$	437,750	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
9H		2/2	1068	$	645,000	0.7167%	0.6400%	$649.82	$167.80	$384.70	$817.62	$1,034.52
9I		0/1	332	$	134,375	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
9J		0/1	311	$	145,125	0.1792%	0.1600%	$162.46	$41.95	$96.17	$204.41	$258.63
9K		0/1	496	$	258,000	0.2912%	0.2600%	$263.99	$68.17	$156.28	$332.16	$420.27
10A	C	2/2.5	1,798	$	945,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
10B	C	3/3.5	2,365	$	1,625,000	1.6444%	1.4800%	$1,491.03	$388.04	$889.62	$1,879.06	$2,380.64
10C	C	3/3	1,798	$	1,475,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
10D	C	2/2	1,307	$	920,000	0.9111%	0.8200%	$826.11	$214.99	$492.90	$1,041.10	$1,319.00
11A	C	2/2.5	1,793	$	970,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
11B	C	3/3.5	2,353	$	1,650,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
11C		3/3	1,793	$	1,500,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
11D	C	2/2	1,307	$	945,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
12A	C	2/2.5	1,792	$	995,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
12B	C	3/3.5	2,353	$	1,675,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
12C		3/3	1,793	$	1,525,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65

Unit		(1) Number of Bedrooms and Baths	(2) Approx Area (Sq.Feet)		(3) Offering Price	(4) Percentage Interest in Residential Common Elements	(4) Percentage Interest in General Common Elements	(5) Projected Monthly Common Charges	(6) Projected Monthly Real Estate Taxes		(7) Projected Total Monthly Common Charges and Real Estate Taxes	
									Assuming 421-G Benefits	Assuming no 421-G Benefits	Assuming 421-G Benefits	Assuming no 421-G Benefits
12D		2/2	1,306	$	970,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
13A	C	2/2.5	1,792	$	1,020,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
13B		3/3.5	2,353	$	1,700,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
13C		3/3	1,793	$	1,550,000	1.2889%	1.1600%	$1,168.64	$304.14	$697.27	$1,472.78	$1,865.91
13D		2/2	1,305	$	995,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
14A	C	2/2.5	1,797	$	1,045,000	1.2667%	1.1400%	$1,148.49	$298.89	$685.24	$1,447.39	$1,833.74
14B		3/3.5	2,365	$	1,070,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
14C		3/3	1,798	$	1,575,000	1.3000%	1.1700%	$1,178.72	$306.76	$703.28	$1,485.48	$1,881.99
14D		2/2	1,305	$	1,020,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
15A	C	2/2.5	1,792	$	1,070,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
15B		3/3.5	2,353	$	1,750,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
15C		3/3	1,793	$	1,600,000	1.2889%	1.1600%	$1,168.64	$304.14	$697.27	$1,472.78	$1,865.91
15D		2/2	1,305	$	1,045,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
16A	C	2/2.5	1,792	$	1,095,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
16B		3/3.5	2,353	$	1,775,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
16C		3/3	1,793	$	1,625,000	1.2889%	1.1600%	$1,168.64	$304.14	$697.27	$1,472.78	$1,865.91
16D		2/2	1,305	$	1,070,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
17A		2/2.5	1,788	$	1,270,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
17B		3/3.5	2,353	$	1,800,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
17C		3/3	1,793	$	1,650,000	1.2889%	1.1600%	$1,168.64	$304.14	$697.27	$1,472.78	$1,865.91
17D		2/2	1,305	$	1,095,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
18A		2/2.5	1,797	$	1,395,000	1.2667%	1.1400%	$1,148.49	$298.89	$685.24	$1,447.39	$1,833.74
18B		3/3.5	2,365	$	1,850,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
18C		3/3	1,798	$	1,700,000	1.3000%	1.1700%	$1,178.72	$306.76	$703.28	$1,485.48	$1,881.99
18D		2/2	1,305	$	1,120,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
19A		2/2.5	1,723	$	1,470,000	1.2222%	1.1000%	$1,108.20	$288.41	$661.20	$1,396.60	$1,769.40
19B		3/3.5	2,241	$	1,900,000	1.5889%	1.4300%	$1,440.65	$374.93	$859.56	$1,815.58	$2,300.21
19C		3/3	1,783	$	1,750,000	1.3000%	1.1700%	$1,178.72	$306.76	$703.28	$1,485.48	$1,881.99
19D	C	2/2	1,305	$	1,195,000	0.9333%	0.8400%	$846.26	$220.24	$504.92	$1,066.50	$1,351.18
20A		2/2.5	1,723	$	1,545,000	1.2333%	1.1100%	$1,118.27	$291.03	$667.21	$1,409.30	$1,785.48
20B		3/3.5	2,241	$	1,975,000	1.6000%	1.4400%	$1,450.73	$377.55	$865.57	$1,828.28	$2,316.30
20C		3/3	1,783	$	1,825,000	1.3111%	1.1800%	$1,188.79	$309.38	$709.29	$1,498.17	$1,898.08
20D	C	2/2	1,305	$	1,270,000	0.9444%	0.8500%	$856.33	$222.86	$510.93	$1,079.19	$1,367.26
Penthouse		4/6.5 T	6,937	$	10,000,000	7.2667%	6.5400%	$6,592.74	$1,714.71	$3,931.14	$8,307.45	$10,523.88
Garage			12,671	$	3,200,000		6.0100%	$2,084.08	$1,575.75	$3,612.56	$3,659.83	$5,696.64
Retail			5,686				4.2500%	$1,842.42	$1,114.30	$2,554.64	$2,956.72	$4,397.06
Totals 125 Residential Units			141,313	$	101,903,816	100.00%	89.74%	$90,670.50	$23,528.78	$53,941.97	$114,199.28	$144,612.47
Totals Residential & Garage			153,984	$	105,103,816		95.75%	$92,754.58	$25,104.53	$57,554.53	$117,859.11	$150,309.11
Totals All Units			159,670	$	105,103,816		100.00%	$94,597.00	$26,218.83	$60,109.17	$120,815.83	$154,706.17

*T = Terrace
*C = Apt in contract

Notes to Schedule A

(1) The room count for each Residential Unit was determined in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York, Inc. Floor Plans for each Unit should be inspected to determine actual dimensions, layout and physical condition prior to Purchasing. The Penthouse has two private roof-top terraces which are denoted as Limited Residential Common Elements.

(2) The square foot area and dimensions of the Units listed in Schedule A, the Declaration or the Floor Plans are approximate and may vary and were obtained by using the method customarily used in New York City to measure new condominium apartments. Estimated dimensions and floor area shown on Schedule A will exceed the Unit's useable floor area. Any Common Elements located within a Unit shall not be considered a part of such Unit.

The actual dimensions, configuration and fenestration (collectively, "unit layout") of a Unit may vary from its Floor Plan due to: (a) changes required by the Buildings Department or other government authorities having jurisdiction; (b) site or other construction conditions; (c) normal construction allowances and variances; and (d) varied masonry bearing wall thicknesses. Purchasers will not be excused from their obligations under the Purchase Agreement: (a) in the event of minor inaccuracies in a Unit's size (a diminution of size of less than 5%, exclusive of interior partitions) or (b) if the Unit is sufficiently completed (with boundary walls and interior partitions installed) and available for inspection before a Purchase Agreement is executed, in which case the unit layout as actually constructed shall supercede and govern any variation, substantial or otherwise, from any and all Floor Plans, drawings and diagrams.

(3) The Purchase Prices and other terms of sale (as more fully set forth in the Section of the Plan entitled "Changes in Prices and Units") of Units may be negotiated by Sponsor and, therefore, may be changed. Accordingly, Purchasers may pay different Purchase Prices for similar Units. The effect of this, as well as the right of Sponsor to change Purchase Prices, is more particularly discussed in the Section of the Plan entitled "Changes in Prices and Units." In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section of the Plan entitled "Closing Costs and Adjustments." If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Unit at the time of Closing. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

(4) (a) The percentage interest of each Unit (the Commercial Units and the Residential Units) in the Common Elements is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit, in accordance with the provisions of Section 339-i (1)(iv) of the Condominium Act.

(b) The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interests of all of the Residential Units in the Condominium.

(5) The estimated monthly Common Charges for each Unit are based on the Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the first year of Condominium operation will be the year from December 1, 2002 through November 30, 2003. The actual first year of Condominium operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on his Unit, mortgage payments under a loan, if any, obtained to finance the purchase of his Unit, the cost of electricity supplied to his Unit which will be separately metered and payable directly to the utility company, the cost of any insurance which he may wish to obtain for his Unit (and which Sponsor strongly urges each Unit Owner to obtain) and the cost of interior repairs and decorations to his Unit. See the Section of the Plan entitled "Schedule B-1 - Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Units.

As discussed in the Section of the Plan entitled "Description of Property and Improvements" Subsection "Services and Facilities", the full range of services and facilities described in the Plan may not be provided until such time as Sponsor has conveyed title to 40% of the Residential Units.

A Purchaser of a Unit will be required to make a contribution at the Closing of Title to his Unit to the Working Capital Fund of the Building. The contribution shall be in an amount equal to 2 months' Common Charges in effect at the time of the Closing of such Unit. It is anticipated that occupancy turnover in the Reserved Unit will be greater than the Residential Units. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details.)

(6) For landmark buildings converted to residential use under the Section 421-g program, the increase in assessed value attributable exclusively to the improvement in the property's physical plant is exempted from real estate taxation (other than special assessments for local improvements) for 13 years. Year 1 through 9, 100% of the tax value attributable to physical increases are exempt, commencing in year 10, the exemption benefits are phased out at 20% per year.

The aggregate real estate taxes during the first year of Condominium operation are expected to be approximately $314,626 with the abatement in place. This amount is based on a projected tax rate of 10% of assessed valuation (based on current commercial use), based on the $3,195,000 pre-construction assessed valuation of the Property for the fiscal tax year 2002-2003. The $11,867,000 post-construction assessed valuation of the Property for the fiscal tax year 2003-2004 will be of no impact as the Section 421-g program exempts the total increased assessed value due to the construction and abates the remainder of the taxes that would be due with respect to the last 2 months of that same fiscal year.

The Sponsor will apply for a Preliminary Certificate of Eligibility for partial tax exemption from the New York City Department of Housing Preservation and Development. It is expected that a permanent Certificate of Occupancy for the entire Building, or a temporary Certificate of Occupancy for all residential areas of the Building will be obtained prior to January 5, 2003 (the taxable status date for the 2003-2004 fiscal year) and that the 13-year period will begin with the 2003-2004 fiscal year. The estimated tax is based on the assumption that the partial exemption will be in effect for the first year of Condominium operation, and that there will not be any change in the taxable status of the Property. No warranty or guarantee is made as to the amount of any tax exemption that will actually be received. In addition, no warranty or guarantee is made that the actual assessed valuation or the assessed valuation for the Property if Section 421-g benefits are granted will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the first year of Condominium operation or the real estate

taxes will be allocated among Units in proportion to the appurtenant Common Interests. In no event will Sponsor, Sponsor's Counsel, Sponsor's Special Tax counsel, the Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind his Purchase Agreement, in the event Section 421-g benefits are not granted or, if granted, in the event the amount of such exemption and the resulting taxes differ from those projected.

If for any reason the aforesaid tax exemption and abatement under Section 421-g is not granted, it is estimated that the aggregate real estate taxes payable with respect to all Residential Units for the first year of Condominium operation will total approximately $650,201.66, assuming (a) an assessed valuation of the Property of $11,867,000 (assuming 35% construction completion as of the taxable status date of January 5, 2002), and (b) a tax rate of 10% for the first 10 months and 10.847% (residential rate) for the remaining 2 months of the First Year.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as a single entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Office of the City Registrar. The apportionment will be based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the project and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. (See the "Attorney's Income Tax Opinion" and the "Attorney's 421-g Real Estate Tax Benefits Opinion" for further details.)

(7) These figures represent the aggregate estimated monthly carrying charges which include estimated Common Charges and estimated real estate taxes. Reference should be made to note (5) of these Notes for certain other "home ownership" costs that may be incurred by Unit Owners.

THIRD AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

150 NASSAU CONDOMINIUM
150 NASSAU STREET
NEW YORK, NEW YORK

Dated: June 17, 2002

TABLE OF CONTENTS

Section		Page
INTRODUCTION		1
1.	OFFER OF ADDITIONAL RESIDENTIAL UNITS	1
2.	EFFECTIVENESS DATE	1
3.	SCHEDULE A – PURCHASE PRICES AND RELATED INFORMATION	1
4.	SCHEDULE B – FIRST YEAR'S BUDGET	2
5.	SCHEDULE B-1	2
6.	DESCRIPTION OF PROPERTY AND BUILDING CONDITION; FLOOR PLANS	2
7.	RESIDENT MANAGER'S HOUSING	2
8.	CONDOMINIUM BOARD	3
9.	CERTIFICATION OF SPONSOR	3
10.	INCORPORATION OF PLAN	3
11.	DEFINITIONS	3
12.	NO MATERIAL CHANGES	3
13.	EXTENSION OF PLAN	3

Exhibits

A-1 – Schedule A – Purchase Prices and Related Information

A-2 – Letter in Compliance with Real Property Law Section 339-i

B-1 – Schedule B – First Year's Budget

B-2 – Certification of Budget Expert Regarding the Adequacy of the Budget

B-3 – Certification of Expert Regarding the Adequacy of the Common Charges Payable by the Commercial Unit Owners.

C-1 – Schedule B-1 – Projected Annual Electricity Cost

C-2 – Certification of Expert Regarding the Adequacy of the Projected Annual Electricity Costs

D – Description of Property and Building Condition

E – Certification of Architect

F – Floor Plans

G – Certification of Sponsor And Principals

THIRD AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

INTRODUCTION

This Third Amendment modifies and supplements the terms of the Condominium Offering Plan for the premises known as the 150 Nassau Condominium ("Condominium") located at 150 Nassau Street, New York, New York ("Building"), dated October 30, 2001 ("Plan"), and should be read in conjunction with the Plan, as previously amended.

The terms of this Third Amendment are as follows:

1. OFFER OF ADDITIONAL RESIDENTIAL UNITS

The Reserved Unit will be subdivided into 80 individual Residential Units which are hereby offered for sale by Sponsor pursuant to the reservation of right set forth under the terms of the Offering Plan. All references in the Plan to Residential Units (or Offered Units) are hereby deemed amended to reflect the offer of a total of 125 Residential Units located on floors 2 through 22. Accordingly, all references to Reserved Units in the Plan, the Declaration and the By-Laws are deemed omitted.

The Section of the Plan entitled "Special Risks" is hereby supplemented as follows:

"29. The total number of Residential Units being offered by Sponsor has increased to 125. Although the Units on the floors 2-9 are smaller than those on the upper floors, Purchasers are advised that the increase may result in greater competition in the secondary resale market as a result of an increase to housing stock and the fact that Sponsor may retain Units for sale over an extended period of time."

2. EFFECTIVENESS DATE

The Section of the Plan entitled "Effective Date" is to indicate that for all purposes including declaring the Plan effective, there are now 125 rather than 45 Residential Units. Sponsor, at its option, may declare the Plan effective at any time, when bona fide purchasers, including investors, have executed Purchase Agreements with respect to no less than 19 Residential Units.

3. SCHEDULE A – PURCHASE PRICES AND RELATED INFORMATION

Annexed to this Amendment as Exhibit A-1 and Exhibit A-2, respectively, are a revised Section of the Plan entitled "Schedule A – Purchase Prices and Related Information" which now includes 80 Residential Units on Floors 2 through 9 in lieu of the Reserved Unit and an updated letter of Bellmarc Property Management with respect to compliance with Real Property Law Section 339-i. As a result of the inclusion of the 80 new Residential Units, the overall Interest in Residential Common Elements is shared between 125 Residential Units resulting, on a per unit basis, in a slight reduction in the Percentage Interest in the Residential Common Elements of the original 45 Residential Units. Furthermore, slight variations and

reallocations of certain expenses, have resulted in a slight reduction to Common Charges for the original 45 Residential Units.

4. SCHEDULE B – FIRST YEAR'S BUDGET

Annexed to this Amendment as Exhibit B-1, Exhibit B-2 and Exhibit B-3, respectively, are a revised Section of the Plan entitled "Schedule B – First Year's Budget" which supercedes and replaces Schedule B set forth in the Plan and updated "Certification of Budget Expert Regarding Adequacy of the Budget" and "Certification of Budget Expert Regarding the Adequacy of the Common Charges Payable by the Commercial Unit Owners". The First Year of Condominium Operation is now projected to commence as of December 1, 2002.

Purchasers should note that, although the line item projection for the insurance premiums has increased, such increase is consistent with the current (post-September 11) trends throughout the insurance industry. Furthermore, while the overall budget has increased, as a result of the addition of these 80 Residential Units and slight variations and reallocations of certain expenses, the Common Charges allocated to the original 45 Residential Units have been reduced slightly.

5. SCHEDULE B-1

Annexed to this Amendment as Exhibit C-1 and Exhibit C-2, respectively, is a revised Section of the Plan entitled "Schedule B-1 – Projected Annual Electricity Cost" and an updated "Certification of Expert Regarding the Adequacy of the Projected Annual Electricity Cost".

6. DESCRIPTION OF PROPERTY AND BUILDING CONDITION; FLOOR PLANS

a. In connection with the subdivision and offer of the Reserved Unit as additional Residential Units, there will be a single lobby (resulting from the consolidation of the original Residential Unit and Reserved Unit lobbies) to serve all of the Residential Units. As originally provided, the Residential Units on floors 3 through 9 will not contain laundry washer/dryers (although the Residential Units on floors 2 and 10 and above will continue to contain individual washer/dryer machines); dedicated laundry rooms on floors 3 through 9 will be Residential Common Elements available for use by all Residential Unit Owners.

b. The hardwood flooring in all the Units will be 4" wide stained red oak strips in random length planks.

c. Annexed to this Amendment as Exhibits D, E and F, respectively are a revised "Description of Property and Building Condition" and updated "Certification of Architect" and new Floor Plans with respect to the Residential Units on floors 2 through 9.

7. RESIDENT MANAGER'S HOUSING

A Residential Unit (to be identified by Sponsor in its sole discretion) will be occupied by the Resident Manager of the Building. At, or subsequent to the First Closing, such Unit will be purchased by the Condominium Board on behalf of all Residential Unit Owners for a purchase price of $560,000, payable by the Condominium Board on behalf of all Residential Unit Owners.

The Condominium Board on behalf of all Unit Owners shall pay the purchase price by executing one or more purchase money note(s) to be delivered by the Condominium to the Sponsor and/or to an institutional lender, at Sponsor's option, in the aggregate amount of up to $560,000, secured by one or more mortgages on such Unit. The note(s) will bear interest at the prevailing rate of interest on prevailing terms.

In the event of a default under the note(s) and mortgage(s), the holder of such mortgage(s) may foreclose on the Unit, with any deficiency being the obligation of the Residential Unit Owners. In the event

of such foreclosure, the Condominium will be without a Resident Manager's Unit and alternate arrangements will be required to shelter the Resident Manager within the Condominium or within such distance as prescribed by Law.

The Condominium Board on behalf of all Residential Unit Owners, will be responsible for the payment of all Closing Costs including, without limitation, transfer taxes, mortgage recording taxes, mortgage origination fees, credit fees, application fees, attorneys' fees, title insurance premiums and all other fees and expenses due in connection with the purchase of this Unit. If the Working Capital Fund at the time of Closing is insufficient to make such payments, Sponsor will advance such sums on behalf of the Condominium for repayment to the Sponsor pursuant to a non-interest bearing, fully-amortizing, non-secured promissory note requiring 12 equal monthly payments. These payments will be borne by all Residential Unit Owners as a Common Expense. All ongoing Common Charges and all other costs and expenses including debt service, utilities, real estate taxes, cost of repairs, alterations and improvements with respect to the Resident Manager's Unit shall be borne by all Residential Unit Owners as a Common Expense (see the Section of the Plan entitled "Schedule B – First Year's Budget" for further details and an illustration of a financing scenario).

The foregoing shall supercede any other relevant disclosure in the Plan to the contrary.

8. CONDOMINIUM BOARD

Commencing with the first annual meeting, the Condominium Board shall consist of 7 persons rather than 8 as originally disclosed in the Plan. Of the 7 persons, 5 will be Residential Members and 2 will be Commercial Members, whom shall be designated 1 each by the Retail Unit Owner and the Garage Unit Owner. The Declaration and By-Laws will be amended accordingly.

9. CERTIFICATION OF SPONSOR

Annexed to this Amendment as Exhibit G is an updated "Certification of Sponsor and Principals".

10. INCORPORATION OF PLAN

The Plan, as modified and supplemented by this Amendment, is incorporated herein by reference with the same effect as if set forth at length.

11. DEFINITIONS

Any term used in this Amendment not otherwise defined herein shall have the same meaning ascribed to it in the Plan.

12. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes of facts or circumstances affecting the Property or the offering.

13. EXTENSION OF PLAN

The Plan, as modified and supplemented by this Amendment, may not be used after six (6) months following the Filing Date of this Amendment unless the Plan is extended or amended.

SPONSOR:

2 SPRUCE STREET, LLC

EXHIBIT "A-1"

SCHEDULE A – PURCHASE PRICES AND RELATED INFORMATION

SCHEDULE A

150 NASSAU STREET
NEW YORK, NEW YORK

SCHEDULE OF OFFERING PRICES AND OTHER RELATED INFORMATION
(Projected financial information for the first year of condominium operation based on projected commencement on December 1, 2002)

Unit	(1) Number of Bedrooms and Baths	(2) Approx Area (Sq.Feet)	(3) Offering Price	(4) Percentage Interest in Residential Common Elements	(4) Percentage Interest in General Common Elements	(5) Projected Monthly Common Charges	(6) Projected Monthly Real Estate Taxes		(7) Projected Total Monthly Common Charges and Real Estate Taxes	
							Assuming 421-G Benefits	Assuming no 421-G Benefits	Assuming 421-G Benefits	Assuming no 421-G Benefits
2A	2/2 T	1711	$ 860,000	1.1758%	1.0500%	$1,066.11	$275.30	$631.15	$1,341.41	$1,697.26
2B	3/3+T	2512	$ 1,695,000	1.6797%	1.5000%	$1,523.02	$393.28	$901.64	$1,916.30	$2,424.66
2C	2/2	1571	$ 1,100,000	1.0638%	0.9500%	$964.58	$249.08	$571.04	$1,213.66	$1,535.62
2D	2/2	1483	$ 1,050,000	1.0414%	0.9300%	$944.27	$243.84	$559.02	$1,188.11	$1,503.29
3A	1/1	670	$ 275,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
3B	1/1	662	$ 295,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
3C	1/1	650	$ 285,000	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
3D	1/1	692	$ 345,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
3E	1/1	609	$ 365,000	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
3F	1/1	698	$ 335,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
3G	1/1	694	$ 355,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
3H	1/1	758	$ 325,000	0.5151%	0.4600%	$467.06	$120.61	$276.50	$587.67	$743.56
3I	0/1	466	$ 205,000	0.2576%	0.2300%	$233.53	$60.30	$138.25	$293.83	$371.78
3J	1/1	901	$ 495,550	0.5375%	0.4800%	$487.37	$125.85	$288.52	$613.22	$775.89
4A	1/1	670	$ 280,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
4B	1/1	662	$ 300,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
4C	1/1	650	$ 290,000	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
4D	1/1	692	$ 350,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
4E	1/1	609	$ 370,000	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
4F	1/1	698	$ 340,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
4G	1/1	694	$ 360,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
4H	1/1	766	$ 330,000	0.5151%	0.4600%	$467.06	$120.61	$276.50	$587.67	$743.56
4I	0/1	481	$ 210,000	0.2912%	0.2600%	$263.99	$68.17	$156.28	$332.16	$420.27
4J	0/1	322	$ 115,000	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
4K	0/1	496	$ 215,000	0.3024%	0.2700%	$274.14	$70.79	$162.29	$344.93	$436.44
5A	1/1	670	$ 305,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
5B	1/1	662	$ 325,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
5C	1/1	650	$ 315,000	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
5D	1/1	692	$ 375,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
5E	1/1	609	$ 395,000	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
5F	1/1	698	$ 365,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
5G	1/1	670	$ 385,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
5H	2/2	1071	$ 560,000	0.7279%	0.6500%	$659.98	$170.42	$390.71	$830.40	$1,050.69
5I	0/1	332	$ 105,000	0.2016%	0.1800%	$182.76	$47.19	$108.20	$229.96	$290.96
5J	0/1	311	$ 115,000	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
5K	0/1	496	$ 220,000	0.3024%	0.2700%	$274.14	$70.79	$162.29	$344.93	$436.44
6A	1/1	670	$ 300,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
6B	1/1	660	$ 320,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
6C	1/1	649	$ 310,000	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
6D	1/1	689	$ 370,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
6E	1/1	608	$ 390,000	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
6F	1/1	697	$ 360,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
6G	1/1	668	$ 380,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
6H	2/2	1071	$ 570,000	0.7279%	0.6500%	$659.98	$170.42	$390.71	$830.40	$1,050.69
6I	0/1	332	$ 110,000	0.2016%	0.1800%	$182.76	$47.19	$108.20	$229.96	$290.96
6J	0/1	311	$ 120,000	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
6K	0/1	496	$ 225,000	0.3024%	0.2700%	$274.14	$70.79	$162.29	$344.93	$436.44
7A	1/1	668	$ 310,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
7B	1/1	657	$ 330,000	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
7C	1/1	647	$ 320,000	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
7D	1/1	683	$ 385,000	0.4591%	0.4100%	$416.29	$107.50	$246.45	$523.79	$662.74
7E	1/1	606	$ 405,000	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
7F	1/1	695	$ 375,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
7G	1/1	666	$ 395,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
7H	2/2	1068	$ 580,000	0.7279%	0.6500%	$659.98	$170.42	$390.71	$830.40	$1,050.69
7I	0/1	332	$ 115,000	0.2016%	0.1800%	$182.76	$47.19	$108.20	$229.96	$290.96
7J	0/1	311	$ 125,000	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
7K	0/1	496	$ 230,000	0.3135%	0.2800%	$284.30	$73.41	$168.31	$357.71	$452.60
8A	1/1	668	$ 320,000	0.4591%	0.4100%	$416.29	$107.50	$246.45	$523.79	$662.74
8B	1/1	657	$ 340,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58

8C	1/1	647	$	330,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
8D	1/1	683	$	400,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
8E	1/1	606	$	420,000	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
8F	1/1	695	$	390,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
8G	1/1	666	$	410,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
8H	2/2	1068	$	590,000	0.7279%	0.6500%	$659.98	$170.42	$390.71	$830.40	$1,050.69
8I	0/1	332	$	120,000	0.2016%	0.1800%	$182.76	$47.19	$108.20	$229.96	$290.96
8J	0/1	311	$	130,000	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
8K	0/1	496	$	235,000	0.3135%	0.2800%	$284.30	$73.41	$168.31	$357.71	$452.60
9A	1/1	668	$	330,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
9B	1/1	657	$	350,000	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
9C	1/1	647	$	340,000	0.4367%	0.3900%	$395.99	$102.25	$234.43	$498.24	$630.41
9D	1/1	683	$	415,000	0.4591%	0.4100%	$416.29	$107.50	$246.45	$523.79	$662.74
9E	1/1	606	$	435,000	0.4031%	0.3600%	$365.52	$94.39	$216.39	$459.91	$581.92
9F	1/1	695	$	405,000	0.4703%	0.4200%	$426.45	$110.12	$252.46	$536.56	$678.90
9G	1/1	666	$	425,000	0.4479%	0.4000%	$406.14	$104.88	$240.44	$511.01	$646.58
9H	2/2	1068	$	600,000	0.7167%	0.6400%	$649.82	$167.80	$384.70	$817.62	$1,034.52
9I	0/1	332	$	125,000	0.1904%	0.1700%	$172.61	$44.57	$102.19	$217.18	$274.79
9J	0/1	311	$	135,000	0.1792%	0.1600%	$162.46	$41.95	$96.17	$204.41	$258.63
9K	0/1	496	$	240,000	0.2912%	0.2600%	$263.99	$68.17	$156.28	$332.16	$420.27
10A	2/2.5	1,798	$	945,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
10B	3/3.5	2,365	$	1,625,000	1.6444%	1.4800%	$1,491.03	$388.04	$889.62	$1,879.06	$2,380.64
10C	3/3	1,798	$	1,475,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
10D	2/2	1,307	$	920,000	0.9111%	0.8200%	$826.11	$214.99	$492.90	$1,041.10	$1,319.00
11A	2/2.5	1,793	$	970,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
11B	3/3.5	2,353	$	1,650,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
11C	3/3	1,793	$	1,500,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
11D	2/2	1,307	$	945,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
12A	2/2.5	1,792	$	995,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
12B	3/3.5	2,353	$	1,675,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
12C	3/3	1,793	$	1,525,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
12D	2/2	1,306	$	970,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
13A	2/2.5	1,792	$	1,020,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
13B	3/3.5	2,353	$	1,700,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
13C	3/3	1,793	$	1,550,000	1.2889%	1.1600%	$1,168.64	$304.14	$697.27	$1,472.78	$1,865.91
13D	2/2	1,305	$	995,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
14A	2/2.5	1,797	$	1,045,000	1.2667%	1.1400%	$1,148.49	$298.89	$685.24	$1,447.39	$1,833.74
14B	3/3.5	2,365	$	1,070,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
14C	3/3	1,798	$	1,575,000	1.3000%	1.1700%	$1,178.72	$306.76	$703.28	$1,485.48	$1,881.99
14D	2/2	1,305	$	1,020,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
15A	2/2.5	1,792	$	1,070,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
15B	3/3.5	2,353	$	1,750,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
15C	3/3	1,793	$	1,600,000	1.2889%	1.1600%	$1,168.64	$304.14	$697.27	$1,472.78	$1,865.91
15D	2/2	1,305	$	1,045,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
16A	2/2.5	1,792	$	1,095,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
16B	3/3.5	2,353	$	1,775,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
16C	3/3	1,793	$	1,625,000	1.2889%	1.1600%	$1,168.64	$304.14	$697.27	$1,472.78	$1,865.91
16D	2/2	1,305	$	1,070,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
17A	2/2.5	1,788	$	1,270,000	1.2556%	1.1300%	$1,138.42	$296.27	$679.23	$1,434.69	$1,817.65
17B	3/3.5	2,353	$	1,800,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
17C	3/3	1,793	$	1,650,000	1.2889%	1.1600%	$1,168.64	$304.14	$697.27	$1,472.78	$1,865.91
17D	2/2	1,305	$	1,095,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
18A	2/2.5	1,797	$	1,395,000	1.2667%	1.1400%	$1,148.49	$298.89	$685.24	$1,447.39	$1,833.74
18B	3/3.5	2,365	$	1,850,000	1.6556%	1.4900%	$1,501.10	$390.66	$895.63	$1,891.76	$2,396.73
18C	3/3	1,798	$	1,700,000	1.3000%	1.1700%	$1,178.72	$306.76	$703.28	$1,485.48	$1,881.99
18D	2/2	1,305	$	1,120,000	0.9222%	0.8300%	$836.18	$217.62	$498.91	$1,053.80	$1,335.09
19A	2/2.5	1,723	$	1,470,000	1.2222%	1.1000%	$1,108.20	$288.41	$661.20	$1,396.60	$1,769.40
19B	3/3.5	2,241	$	1,900,000	1.5889%	1.4300%	$1,440.65	$374.93	$859.56	$1,815.58	$2,300.21
19C	3/3	1,783	$	1,750,000	1.3000%	1.1700%	$1,178.72	$306.76	$703.28	$1,485.48	$1,881.99
19D	2/2	1,305	$	1,195,000	0.9333%	0.8400%	$846.26	$220.24	$504.92	$1,066.50	$1,351.18
20A	2/2.5	1,723	$	1,545,000	1.2333%	1.1100%	$1,118.27	$291.03	$667.21	$1,409.30	$1,785.48
20B	3/3.5	2,241	$	1,975,000	1.6000%	1.4400%	$1,450.73	$377.55	$865.57	$1,828.28	$2,316.30
20C	3/3	1,783	$	1,825,000	1.3111%	1.1800%	$1,188.79	$309.38	$709.29	$1,498.17	$1,898.08
20D	2/2	1,305	$	1,270,000	0.9444%	0.8500%	$856.33	$222.86	$510.93	$1,079.19	$1,367.28
Penthouse	4/6.5 T	6,937	$	10,000,000	7.2667%	6.5400%	$6,592.74	$1,714.71	$3,931.14	$8,307.45	$10,523.88
Garage		12,671	$	3,200,000.00		6.0100%	$2,084.08	$1,575.75	$3,612.56	$3,659.83	$5,696.64
Retail		5,686				4.2500%	$1,842.42	$1,114.30	$2,554.64	$2,956.72	$4,397.06
Totals 125 Residential Units		141,313		$100,130,550.00	100.00%	89.74%	$80,670.50	$23,528.78	$53,941.97	$114,199.28	$144,612.47
Totals Residential & Garage		153,984		$103,330,550.00		95.75%	$92,754.58	$25,104.53	$57,554.53	$117,859.11	$150,309.11
Totals All Units		159,670		$103,330,550.00		100.00%	$94,597.00	$26,218.83	$60,109.17	$120,815.83	$154,706.17

*T = Terrace

Notes to Schedule A

(1) The room count for each Residential Unit was determined in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York, Inc. Floor Plans for each Unit should be inspected to determine actual dimensions, layout and physical condition prior to Purchasing. The Penthouse has two private roof-top terraces which are denoted as Limited Residential Common Elements.

(2) The square foot area and dimensions of the Units listed in Schedule A, the Declaration or the Floor Plans are approximate and may vary and were obtained by using the method customarily used in New York City to measure new condominium apartments. Estimated dimensions and floor area shown on Schedule A will exceed the Unit's useable floor area. Any Common Elements located within a Unit shall not be considered a part of such Unit.

The actual dimensions, configuration and fenestration (collectively, "unit layout") of a Unit may vary from its Floor Plan due to: (a) changes required by the Buildings Department or other government authorities having jurisdiction; (b) site or other construction conditions; (c) normal construction allowances and variances; and (d) varied masonry bearing wall thicknesses. Purchasers will not be excused from their obligations under the Purchase Agreement: (a) in the event of minor inaccuracies in a Unit's size (a diminution of size of less than 5%, exclusive of interior partitions) or (b) if the Unit is sufficiently completed (with boundary walls and interior partitions installed) and available for inspection before a Purchase Agreement is executed, in which case the unit layout as actually constructed shall supercede and govern any variation, substantial or otherwise, from any and all Floor Plans, drawings and diagrams.

(3) The Purchase Prices and other terms of sale (as more fully set forth in the Section of the Plan entitled "Changes in Prices and Units") of Units may be negotiated by Sponsor and, therefore, may be changed. Accordingly, Purchasers may pay different Purchase Prices for similar Units. The effect of this, as well as the right of Sponsor to change Purchase Prices, is more particularly discussed in the Section of the Plan entitled "Changes in Prices and Units." In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section of the Plan entitled "Closing Costs and Adjustments." If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Unit at the time of Closing. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

(4) (a) The percentage interest of each Unit (the Commercial Units and the Residential Units) in the Common Elements is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit, in accordance with the provisions of Section 339-i (1)(iv) of the Condominium Act.

(b) The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interests of all of the Residential Units in the Condominium.

(5) The estimated monthly Common Charges for each Unit are based on the Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the first year of Condominium operation will be the year from September 1, 2002 through August 31,

2003. The actual first year of Condominium operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on his Unit, mortgage payments under a loan, if any, obtained to finance the purchase of his Unit, the cost of electricity supplied to his Unit which will be separately metered and payable directly to the utility company, the cost of any insurance which he may wish to obtain for his Unit (and which Sponsor strongly urges each Unit Owner to obtain) and the cost of interior repairs and decorations to his Unit. See the Section of the Plan entitled "Schedule B-1 - Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Units.

As discussed in the Section of the Plan entitled "Description of Property and Improvements" Subsection "Services and Facilities", the full range of services and facilities described in the Plan may not be provided until such time as Sponsor has conveyed title to 40% of the Residential Units.

A Purchaser of a Unit will be required to make a contribution at the Closing of Title to his Unit to the Working Capital Fund of the Building. The contribution shall be in an amount equal to 2 months' Common Charges in effect at the time of the Closing of such Unit. It is anticipated that occupancy turnover in the Reserved Unit will be greater than the Residential Units. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details.)

(6) For landmark buildings converted to residential use under the Section 421-g program, the increase in assessed value attributable exclusively to the improvement in the property's physical plant is exempted from real estate taxation (other than special assessments for local improvements) for 13 years. Year 1 through 9, 100% of the tax value attributable to physical increases are exempt, commencing in year 10, the exemption benefits are phased out at 20% per year.

The aggregate real estate taxes during the first year of Condominium operation are expected to be approximately $314,626 with the abatement in place. This amount is based on a projected tax rate of 10% of assessed valuation (based on current commercial use), based on the $3,195,000 pre-construction assessed valuation of the Property for the fiscal tax year 2002-2003. The $11,867,000 post-construction assessed valuation of the Property for the fiscal tax year 2003-2004 will be of no impact as the Section 421-g program exempts the total increased assessed value due to the construction and abates the remainder of the taxes that would be due with respect to the last 2 months of that same fiscal year.

The Sponsor will apply for a Preliminary Certificate of Eligibility for partial tax exemption from the New York City Department of Housing Preservation and Development. It is expected that a permanent Certificate of Occupancy for the entire Building, or a temporary Certificate of Occupancy for all residential areas of the Building will be obtained prior to January 5, 2003 (the taxable status date for the 2003-2004 fiscal year) and that the 13-year period will begin with the 2003-2004 fiscal year. The estimated tax is based on the assumption that the partial exemption will be in effect for the first year of Condominium operation, and that there will not be any change in the taxable status of the Property. No warranty or guarantee is made as to the amount of any tax exemption that will actually be received. In addition, no warranty or guarantee is made that the actual assessed valuation or the assessed valuation for the Property if Section 421-g benefits are granted will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the first year of Condominium operation or the real estate taxes will be allocated among Units in proportion to the appurtenant Common Interests. In no event will Sponsor, Sponsor's Counsel, Sponsor's Special Tax counsel, the Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind his Purchase Agreement, in the event Section 421-g benefits are not granted or, if granted, in the event the amount of such exemption and the resulting taxes differ from those projected.

If for any reason the aforesaid tax exemption and abatement under Section 421-g is not granted, it is estimated that the aggregate real estate taxes payable with respect to all Residential Units for the first year of Condominium operation will total approximately $650,201.66, assuming (a) an assessed valuation of the Property of $11,867,000 (assuming 35% construction completion as of the taxable status date of January 5, 2002), and (b) a tax rate of 10% for the first 10 months and 10.847% (residential rate) for the remaining 2 months of the First Year.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as a single entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Office of the City Registrar. The apportionment will be based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the project and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. (See the "Attorney's Income Tax Opinion" and the "Attorney's 421-g Real Estate Tax Benefits Opinion" for further details.)

(7) These figures represent the aggregate estimated monthly carrying charges which include estimated Common Charges and estimated real estate taxes. Reference should be made to note (5) of these Notes for certain other "home ownership" costs that may be incurred by Unit Owners.

EXHIBIT "A-2"

LETTER IN COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

Bellmarc

Bellmarc Brokerage, LTD • Licensed Real Estate Broker

April 12, 2002

150 Nassau Associates, LLC
Yitzthak Tessler
500 Fifth Avenue
New York, NY 10017

RE: 150 Nassau Street Condominium
150 Nassau Street, New York, NY

Gentlemen:

Bellmarc Brokerage Ltd. is a member of the Bellmarc Companies, a group of real estate brokerage firms licensed in the state of New York. The Bellmarc Companies have been in business for more than eighteen-year specializing in the Manhattan residential market. Our firm has frequently been retained as selling agent and/or consultant for condominium and cooperative offerings.

The undersigned has reviewed the allocation of percentages of common interest contained in Schedule A of the above referenced offering Plan.

The Sponsor of the Plan informed me that such allocation was made, pursuant to Section 339-I (iv) of the Real Property law of the State of New York, based "upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the units." In my, opinion, based on the criteria set forth above, the allocation of percentages of common interest appearing in Schedule A are reasonable.

The undersigned will not serve as Selling Agent and is not affiliated with the Sponsor/Selling Agent under this plan, nor with any of its principals, and has no financial stake with respect to the offering under the Plan, other than our fee for services rendered, except that an affiliate of the Bellmarc Companies will serve as managing agent for the Condominium.

Very truly yours,

Neil Binder
President

Sworn before me this
12th day of April 2002

Notary Public

JACKIE J. THERMIDOR
Notary Public, State of New York
No. 01TH600159
Qualified in Kings County
Commission Expires Dec. 8, 20 05

EXHIBIT "B-1"

SCHEDULE B – FIRST YEAR'S BUDGET

SCHEDULE B
150 NASSAU STREET CONDOMINIUM
150 Nassau Street
Projected Budget for First Year of Condominium Operation
December 1, 2002 to November 30, 2003

ESTIMATED INCOME

Common Charges	
Residential Units	$ 1,088,046
Retail Unit (Note 2)	$ 25,009
Garage Unit (Note 2)	$ 22,109
Total Estimated Income	$ 1,135,164

	Residential Unit	Retail Unit	Garage Unit
ESTIMATED EXPENSES			
Payroll and Related Expenses (Note 3)	$ 481,611	$ 4,809	$ 6,801
Steam Heating/Hot Water (Note 4)	64,259	2,104	-0-
Electricity/Air Conditioning (Note 5)	137,238	5,402	-0-
Gas (Note 6)	11,250	-0-	-0-
Water Charges and Sewer Rent (Note 7)	56,692	2,729	2,082
Repairs and Maintenance (Note 8)	31,409	1,488	2,103
Service Contracts and Supplies (Note 9)	83,764	869	367
Insurance (Note 10)	80,748	3,824	5,408
Management Fee (Note 11)	33,652	1,594	2,254
Legal and Audit Fees (Note 12)	10,320	489	691
Superintendent's Unit (Note 13)	61,207	-0-	-0-
Reserve for Contingencies (Note 14)	22,435	1,063	1,502
Telephone and Miscellaneous (Note 15)	13,461	638	901
Total	$ 1,088,046	$ 25,009	$ 22,109

The Notes to Schedule B (above) are an integral part of this Schedule and should be read in conjunction herewith.

Notes To Schedule B

(1) Amounts are projected on the assumption that the first year of condominium operation will be the year from December 1, 2002 to November 30, 2003. The actual first year of condominium operation may begin earlier or later than that year. In the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements within not less than fifteen days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their down payments returned, together with interest earned thereon.

(2) These amounts represent the total Common Charges to be levied against and collected from the Residential Unit, the Retail Unit and the Garage Unit during the projected first year of condominium operation. The Common Charges will be utilized by the Board to defray the operational expenses of the Condominium. Generally, Common Expenses have been allocated among the Units on the basis of percentage of Common Interest. Where the allocation of Common Expenses is not based on percentage of Common Interest or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes. The Retail Unit Owner and the Garage Unit Owner will be obligated to pay their fair share of the expenses that are incurred by the Board in furnishing those services, as well as operating, maintaining and repairing those Common Elements, that are utilized by such Unit Owner. Except for certain limited services and Common Elements which the Retail Unit and Garage Unit share with the Unit Owners in general, the Retail Unit and Garage Unit are being constructed, equipped and separately metered to operate as an independent Unit with a minimum of common expenses or operations with the remainder of the Units. Common Expenses to be borne by the Residential Unit Owners have been allocated on the basis of the combined percentage of Common Interest of such Units, for a total of 89.74%. Common Expenses to be borne by the owner of the Retail Unit have been allocated on the basis of such Unit Owner's Common Interest, for a total 4.25%. Common Expenses to be borne by the Owner of the Garage Unit have been allocated on the basis of such Unit Owner's Common Interest for a total of 6.01%.

After operation of the Condominium has commenced, it is anticipated that the methods of allocation of the Common Expenses to be paid by the Retail Unit Owner and Garage Unit owner will be periodically adjusted as provided in the By-Laws, but not more frequently than once each year, to reflect the differing proportions fairly attributable to the then amount of usage by such category of Unit Owner of the services and the Common Elements in question, but in any event in conformity with Section 339-m of the New York State Real Property Law. If any category of Unit Owners contends that any method of allocation determined by the Board is inequitable, the dispute may be submitted to arbitration as provided in the By-Laws.

(3) Payroll and Related Expenses: $ 493,221

Unless otherwise noted in these footnotes, for purposes of estimating all payroll costs in Schedule B, it has been assumed that employees will be members of Local 32-B/32-J, Service Employees International Union, AFL-CIO. All wage, salary and benefit costs, including applicable payroll taxes reflect that assumption.

The payroll taxes and benefits include FICA (projected at 8% of total wages), Federal and New York State unemployment insurance (projected at $560.00 per person per year), workers' compensation (projected at 7.0% of total wages), and disability insurance (projected at $50.00 per person per year).

The level of staffing described in this Schedule B complies with all applicable housing and labor laws.

No warranty is made with respect to the Building employees right to organize or the actual wages, salaries, benefits and related payroll taxes and similar expenses which will be applicable and in effect during the first year of condominium operation. However, the projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert, Bellmarc Property Management Services, Inc., in managing comparable buildings.

The wage and salary estimates included in Common Expenses are detailed as follows:

POSITION	WAGES PER PERSON
1 Superintendent	$ 50,390 per annum
4.2 Lobby Attendants	$ 34,037 per annum
1 Handyman	$ 37,492 per annum
3 Porters	$ 34,037 per annum

In addition, 28 days per year of vacation days, sick days and personal days have been allowed for each of the employees and have been included in the total payroll and related expenses. Payroll expenses for the Condominium's employees have generally been allocated to the Residential Unit. The lobby attendants have been allocated exclusively to the Residential Unit. The Retail Unit and Garage Unit will utilize the services of the superintendent and one porter on a limited basis. Accordingly, the costs related to the superintendent's salary, the salary of one porter, benefits, etc. have been allocated to the Retail Unit and the Garage Unit on the basis of percentage of Common Interest. Payroll expenses for the superintendent, handyman and remaining porters have been allocated to the Residential Units and Reserved Unit.

(4) Steam Heating and Hot Water: $ 66,363

Heat and hot water will be provided by Con Edison steam. The system will maintain the heat pump loop temperature. The water shall be distributed to the heat pump units via a closed condenser water loop. Because the Building is in the process of being re-constructed as a residential building, it has no operational history upon which to base a projection of future steam usage.

The estimates and projections of consumption of gas for heating purposes are as described in a letter, dated June 21, 2001 from Cosentini which reflects an estimated annual consumption of approximately 3040 pound per thousands based on an average rate of $18.62 per pound. The anticipated cost for the projected first year of condominium operation as estimated by Cosentini Associates has been reconfirmed as of April 12, 2002 and reflects rates that are currently in effect.

It is impossible to predict whether the budgeted figure will reflect the actual cost of steam for the actual first year of condominium operation. This cost will vary with both the level of consumption of gas and the rate charged by the utility company. The level of consumption of gas will be affected by the severity of the weather and any conservation measures (such as staggering the hours of heating and lowering the temperature of the heat and hot water, etc.) adopted by the Board. Any projection of future costs therefore is difficult.

It is believed that the budgeted figure will be sufficient to cover any reasonable increase in the cost of steam during the projected first year of condominium operation. However, no budget item is warranted.

(5) Electricity and Air Conditioning: $ 142,640

The amount set forth is the estimate for the electricity consumed only by the Common Elements, since the electricity for each Residential Unit, the Retail Unit and the Garage Unit will be individually metered by Con Edison. Allocation of the electricity consumed with respect to the Common Elements is based on a master meter from Con Edison explicitly for the Common Elements, adjusted to reflect the costs associated with the Retail Unit's and Garage Unit's use of all equipment associated with the operation of their master heat pump system. The amount set forth in Schedule B for electricity is based on the estimate and projections of consumption for all Common Elements as described in a letter, dated June 21, 2001 from Cosentini Associates which reflects an estimated annual consumption of approximately 326,400 kilowatt hours of electricity based on a rate of $.17 per kilowatt hour of electricity. The Cosintini projections have been reconfirmed as of April 12, 2002.

(6) Gas, Cooking/Laundry: $ 11,250

The budgeted estimate includes the cost of gas service supplied by Con Edison for domestic purposes (cooking and laundry) in the Residential Units. The cost of gas is based on the estimate and projection of consumption as described in a letter, June 21, 2001 from Cosintini Associates which reflects an estimated annual consumption of 12,500 therms per year at a rate of $ .90 per therm. The Cosintini projections have been reconfirmed as of April 12, 2002. The Retail and Garage Units will not utilize any gas; and accordingly, the cost of gas has been allocated to only the Residential Units.

(7) Water Charges and Sewer Rent: $ 61,503

The budgeted amount constitutes a projection of the water charges and sewer rents that will be payable with respect to the Building. Because the Building is in the process of being re-constructed as a residential building, it has no operational history upon which to base such a projection. The budgeted amount is based upon the estimate and projection of consumption and rates by Cosintini Associates. which reflects an estimated annual consumption of 18,250 CCF by the Residential Units, the Retail Unit and the Garage Unit is based on current New York City water and sewer rates. The Cosintini projections have been reconfirmed as of April 12, 2002. Water meters will be installed to measure actual water usage for billing purposes. It is believed that the budgeted amount should be sufficient to cover any reasonable increase in the cost of utilities during the first year of condominium operation. However, no budget item is warranted as to its accuracy, sufficiency or otherwise. Thereafter, water charges and sewer rent will be allocated among the Units based on the estimated annual consumption set forth above.

(8) Repairs and Maintenance: $ 35,000

This figure represents the estimated cost for ordinary maintenance and repairs of the Common Elements, including periodic painting, and supplies such as cleaning supplies, lubricants, bulbs, fixtures, hardware, rubbish compactor bags, etc. used in connection with the operation of the Common Elements.

No amounts have been budgeted for repairs to the roof, the heating, ventilating and air-conditioning system or the Building exterior, and a relatively small amount has been estimated for other repairs, because the Building's roof, the heating, ventilating and air-conditioning system and

virtually all of the other Building systems will be new. This estimate is based on experience of Sponsor's budget expert, Bellmarc Property Management Services, Inc., in operating comparable new buildings.

Repair and maintenance expenses have been allocated among all Units on the basis of percentage of Common Interest.

(9) Service Contracts and Supplies: $ 85,000

This estimate includes the cost of various services used in or for the Common Elements, including elevator service, wood, marble and metal maintenance, extermination, a recycling system, water treatment and uniform laundry.

No maintenance or service contracts have been entered into as of the date of the Plan. The budgeted amounts are based on estimates received from contractors and otherwise or the experience of Sponsor's budget expert, Bellmarc Property Management Services, Inc. in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost which may occur prior to and during the first year of condominium operation, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

Service contracts and supply expenses have been allocated among all Units based upon each Unit's projected consumption of such contracts and/or supplies.

(10) Insurance: $89,980

The insurance premiums are based a revised the letter, dated April 12, 2002 from Genatt Associates, setting forth the following coverage:

PACKAGE	**INSURER WITH A BEST RATING OF "A"**
PROPERTY – All Risk, Replacement Cost, Agreed Value (No Coinsurance)	
Building	$ 50,000,000
Business Income Incl. Extra Expense	Actual Loss Sustained
Personal Property of Others	$ 10,000
EXTENSIONS OF COVERAGE:	
Building Ordinance	Included
Increased Cost of Construction/Demolition	$ 1,000,000
Back-up of Sewers & Drains	$ 250,000
Underground Water Supply Mains	$ 1,000,000
Flood	$ 1,000,000
Earthquake	$ 1,000,000
Demolition	$ 1,000,000
Debris Removal	$ 1,000,000
Joint Loss Agreement	Included
DEDUCTIBLES:	
Building	$ 1,000

Back-up Sewers & Drains	$ 5,000
Underground Water Supply Mains	$ 5,000
Flood	$ 10,000
Earthquake	$ 50,000

ENHANCEMENTS:

Fire Departments Service Charge	$ 10,000
Pollutant Clean-Up and Removal	$ 100,000
Chemical Extinguishing System Discharge	$ 25,000
Accounts Receivable (including Credit Cards)	$ 1,000,000
Transit	$ 50,000
Money and Securities	
Inside	$ 20,000
Outside	$ 10,000
Money Orders and Counterfeit Paper Currency	$ 1,000
Forgery and Alteration	$ 2,500
Lost Key Consequential Loss	$ 1 ,000
Fine Arts	$ 1,000,000
Newly Acquired	$ 25,000
Transit	$ 500,000
Contamination, Spoilage, Change in Temperature or Humidity	$ 25,000
Leasehold Interest Improvements and Betterments	$ 1,000,000
Utility Services – Direct Damage to Building	$ 1,000,000
Newly Acquired or Constructed Property	
Building	$ 2,500,000
Business Personal Property	$ 500,000 max
Personal effects owned by insured, officers, partners, employees	$ 25,000
Personal effects & Property of others valued as your Business	
Personal property	$ 25,000
Valuable Papers and Records	$ 1,000,000
Transit	$ 150,000
Personal Property at any other location	$ 500,000
Outdoor Property: Trees, Shrubs and Plants also covered for	
Vehicle Collision, Theft, V&MM, Weight of Ice and	
Snow/Any One Item	$ 500,000/$2,500
Exterior and Interior Glass	Unlimited
Debris Removal	$ 500,000 Add'l
Outside Trees, Shrubs, Plants blown onto your premises	$ 1,000
Replacement Cost: Not on same premises of constructive	
Total loss	w/i Bldg. Limit
Restoration Cost for Building and Improvements and	
Betterments	w/i Bldg. Limit

LIABILITY:

Comprehensive General Liability,
Bodily Injury and Property Damage:

General Aggregate	$ 2,000,000
Per Occurrence	$ 2,000,000
Personal & Advertising Injury	$ 1,000,000
Products/Completed Operations Aggregate	Included

Fire Damage	$ 50,000
Medical Payments	$ 5,000
Water Damage Legal Liability	$ 1,000,000
Employee Benefits Liability	$ 1,000,000
Non-Owned/Hired Car Coverage	$ 1,000,000
Knowledge/Notice of Occurrence	Included
Unintentional E&O	Included
DEDUCTIBLES:	
Water Damage Legal Liability	$ 1,000 Per Claim
Employee Benefits	$ 1,000 Per claim
PACKAGE PREMIUM:	**$ 75,000**

DIRECTORS & OFFICERS LIABILITY

Each Loss	$ 1,000,000
Aggregate	$ 1,000,000
Managing Agent Rider	Included
DEDUCTIBLE:	
Each Insured, Director or Officer	$ 250
DIRECTORS & OFFICERS LIABILITY PREMIUM:	**$ 2,880**

CRIME COVERAGE

Employee Dishonesty	$ 1,000,000
Managing Agent Rider	Included
DEDUCTIBLE:	
Employee Dishonesty	$ 5,000
CRIME PREMIUM:	**$ 1,200**

BOILER & MACHINERY:

Comprehensive Coverage Including Production Machinery

Equipment Breakdown Limit	$ 50,000,000
Property Damage	Included
Business Income	Included
Extra Expense	Included
Service Interruption	Included
Perishable Goods	$ 25,000
Computer Equipment	$ 25,000
Demolition and ICC	$ 1,000,000
Expediting Expenses	$ 50,000
Hazardous Substances	$ 25,000
CFC Refrigerants	$ 25,000
Newly Acquired Locations	$ 1,000,000

DEDUCTIBLE:		
Combined – All Coverages	$	2,500
BOILER ANNUAL PREMIUM:	**$**	**2,400**
UMBRELLA:		
Limit of Liability:		$200,000,000
UMBRELLA PREMIUM:	**$**	**8,500**
TOTAL PREMIUM:	**$**	**89,980**

The total premium for these various coverage is estimated at $46,440. This coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units, nor does it include coverage of the furniture or personal property of Unit Owners.

This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the first year of condominium operation. Purchasers should be aware of the possibility of rate increases.

Sponsor will procure, on behalf of the Board, on or before the date of the First Closing, the general liability insurance required to be carried by the Condominium. Unit Owners should consider procuring their own coverage for their contents and liability within their Unit and appurtenant (private) Limited Residential Common Elements.

The fire, casualty and general liability insurance carried by the Condominium will provide that each Unit Owner is an additional insured party; that there will be no cancellation without notice to the Board of Managers; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and Unit Owners; and a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

Insurance expenses have been allocated among all Units on the basis of percentage of Common Interest.

(11) Management Fee: $37,500

Based on the management agreement to be entered into at or before the First Closing, Sponsor anticipates that the Managing Agent will receive an annual fee of $37,500 for the first year. In the opinion of Bellmarc Property Management Services, Inc., the Managing Agent's fee for the first year of condominium operation is comparable to the fees charged for such services at similar buildings. The management fee has been allocated among all Units on the basis of percentage of Common Interest. Reference should be made to "Management Agreement" for further discussion of the terms of the Management Agreement.

(12) Legal and Audit Fees: $11,500

Based upon the estimate of Kleiman & Weinshank, LLP, as set forth in a letter dated June 6, 2001, $ 6,500 has been budgeted for fees to be incurred in connection with the preparation of the audited financial statements for the Condominium's first year of condominium operation and its Federal, New York State and New York City income tax returns. The balance of the budgeted amount $ 5,000 has been estimated to provide for minor legal services to be rendered in

connection with the operation of the Building such as attendance at Board meetings, preparation of Board minutes and negotiation of minor agreements.

Legal and audit fees have been allocated among all Units on the basis of percentage of Common Interest.

(13) Superintendent's Unit: $ 61,207

This item consists of the mortgage payments, common charges and electricity attributable to the Superintendent's Unit, which will be acquired on or after the First Closing by the Board on behalf of the Unit Owners for a purchase price of $560,000 and occupied by the superintendent. The expenses attributable to the Superintendent's Unit will be allocated only to the Residential Unit Owners. The budgeted amount includes monthly mortgage payments of $ 3,772 ($45,264 per year) and $1,207 for the estimated cost of electricity. However, until such time as the Unit is conveyed to the Condominium, rent shall be paid to the Sponsor or at its direction, in the amount of $5,000 per month. For purposes for the first year budget, it is assumed the unit will be rented for the entire year and the increased cost related to such has been included in the budget.

The amounts projected for utility charges are based on estimates by Cosintini Associates; the mortgage principal and interest payments have been calculated based on the assumptions set forth below.

One or more institutional lenders (sometimes hereinafter collectively called the "Lender" will finance the entire purchase price of the Superintendent's Unit. The Board will give the Lender a promissory note for the total purchase price of the Unit and a first mortgage on the Unit to secure repayment of the note. The forms of the promissory note and mortgage are reproduced as Part II of the Plan. (The note and mortgage are hereinafter sometimes collectively called the "Mortgage Documents".)

Amount Financed:	$ 560,000
Annual Interest Rate:	The then prevailing interest rate for condominium unit mortgages 7.125% per annum has been used for purposes of estimating the annual installment payments, but no guarantee is made that the actual interest rate will be 7.125% per annum.
Installment Payments:	Equally monthly payments of interest and principal of $ 3,772 each, which is an amount calculated to fully amortize the loan over a period of 30 years.
Maturity Date:	30 years after the closing of title with the Board.
Prepayment:	The loan may be prepaid in full or in part (in multiples of $5,000) on the first day of a month, upon giving not less

than ten (10) days' prior written notice of intention to prepay, without premium or penalty, but with interest accrued to the date of prepayment on the amount prepaid. Partial prepayments will be applied to reduce the outstanding principal balance, and monthly installments of interest in respect of the period thereafter shall be adjusted accordingly.

Restrictions: The unpaid principal and accrued interest will be immediately due at the option of the Lender, in the event the Unit is sold or further mortgaged or occupied by other than the superintendent.

Late Charge : A late charge of $0.04 for each dollar remaining unpaid for more than ten (10) days after the date when due, and interest at the rate of 1.5% per month on such unpaid amounts, together with reasonable attorneys' fees and expenses incurred for collection.

Grace Period: Ten (10) days after the due date to pay any installments of interest, principal or other sum under the Mortgage Documents and fifteen (15) days after notice for any non-monetary default under the Mortgage Documents.

All closing costs and other expenses related to the purchase of the Superintendent's Unit without exclusion including transfer taxes, shall be paid by the Condominium.

(14) Reserve for Contingencies: $ 25,000

This amount is to cover possible increases in expenses not now foreseen and for expenses not included. The budget may be modified from time to time prior to commencement of, or during, the first year of condominium operation to increase items of expenses and decrease the contingency reserve. The reserve has been allocated among all Units on the basis of percentage of Common Interest.

(15) Telephone and Miscellaneous: $ 15,000

This estimate is included to provide for the estimated cost of miscellaneous administrative and other costs including, but not limited to, inspection fees, license fees, permits, stationery, postage, printing, pager and telephone and fees. Telephone and miscellaneous expenses have been allocated to all Units on the basis of percentage of Common Interest.

This estimate does not include an estimate for income taxes payable by the Condominium. More than 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. Accordingly, the Condominium may be eligible to elect to be treated as a homeowners association which is not subject to Federal income tax on amounts received as membership dues, fees, or assessments from Residential Unit Owners, for its first taxable year. Absent such election, the status of the Condominium for tax purposes is uncertain. The

Condominium may be treated as a conduit for the Unit Owners, rather than a separate taxpayer. If treated as a separate entity, the Condominium may be treated as a partnership for tax purposes, and as such would not be subject to Federal or New York State income tax, but may be subject to the New York City Unincorporated Business Tax. (See the Sections of the Plan entitled, "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" and "Opinions of Counsel" for further discussion.

In the opinion of Bellmarc Property Management Services Inc., the projected income for the Condominium is adequate to meet the estimated expenses for the first year of condominium operation, assuming that such first year is the fiscal year commencing September 1, 2002. The budget, however, is not intended, and should not be taken, as a guarantee by anyone that the annual Common Charges or Common Expenses for the first or any subsequent year of operation of the Property by the Board will be as set forth in the budget. In fact, it is likely that the actual income and expenses for the first year of condominium operation will vary from the amounts shown in the budget.

EXHIBIT "B-2"

CERTIFICATION OF BUDGET EXPERT REGARDING THE ADEQUACY OF THE BUDGET

Bellmarc

Bellmarc Property Management

CERTIFICATION BY EXPERT AS TO ADEQUACY OF CONDOMINIUM BUDGET

May 1, 2002

New York State Department of Law
Real Estate Financing Bureau
120 Broadway – 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
150 Nassau Street
New York, New York ("Property")

The undersigned, Bellmarc Property Management Services, Inc. certifies as follows:

The Sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B containing projections of income and expenses for the first year of condominium operation.

Bellmarc Property Management Services, Inc. has been engaged in the management of residential and commercial real estate for the past fourteen years managing approximately twenty-five buildings, and is a licensed real estate broker in the State of New York.

We understand that we are responsible for complying with Article 23-a of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B.

We have prepared Schedule B and investigated the facts set forth in the schedule and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience more fully set forth above.

We certify that the projections in Schedule B appear reasonable and adequate under existing circumstances and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the schedule B:

(i) sets forth in detail the projected income and expenses for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor and we have no financial interest in this offering other than our fee for services rendered in connection with the preparation of Schedule B. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of income and expenses for the first year of condominium operation.

This certification is made under penalty or perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,
Bellmarc Property Management Services, Inc

By: _____
Name: John R. Janangelo
Title: President

Sworn to before me
This 1st day of May, 2002

_____
Notary Public

JACKIE J. THERMIDOR
Notary Public, State of New York
No. 01TH600159
Qualified in Kings County
Commission Expires Dec. 8, 20 05

EXHIBIT "B-3"

CERTIFICATION OF EXPERT REGARDING THE ADEQUACY OF THE COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS

Bellmarc

Bellmarc Property Management

CERTIFICATION BY SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNER PURSUANT TO SECTION 20.4 (e) OF PART 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

April 12, 2002

New York State Department of Law
120 Broadway
New York, NY 10271
Attn.: Real Estate Financing Bureau

Re: 150 Nassau Street Condominium
150 Nassau Street, New York, New York

The undersigned, Bellmarc Property Management Services, Inc. certifies as follows:

The sponsor of the condominium Offering Plan for the above captioned property retained our firm to prepare Schedule B to the Offering Plan which includes projections of common charges payable by the owner of the commercial unit for the fiscal year December 1, 2002 through November 30, 2003.

Bellmarc Property Management Services, Inc. has been engaged in the management of residential and commercial real estate for the past fourteen years managing approximately twenty-five buildings, and is a licensed real estate broker in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the commercial unit listed in Schedule B.

We have reviewed the Schedule as it impacts upon the commercial unit and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings and commercial areas of such buildings.

We certify that the projections in the Schedule for the common charges payable by the owner of the commercial unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial unit for the operation of the Condominium during fiscal year December 1, 2002 through November 30, 2003 and that the allocation of common charges attributable to the commercial unit also reflects any special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owner of the commercial unit:

(i) set forth in detail the projected common charges for the commercial unit for of Condominium operation for fiscal year December 1, 2002 through November 30, 2003;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owner of the commercial unit;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of material fact;

(v) do not contain any fraud, deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representations or statements made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit for fiscal year December 1, 2002 through November 30, 2003.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

BELLMARC PROPERTY MANAGEMENT SERVICES, INC.

By: _____
Name: John R. Janangelo
Title: President

Sworn to before me this
12th day of April 12, 2002

Jackie Thermidor
Notary Public

JACKIE J. THERMIDOR
Notary Public, State of New York
No. 01TH600159
Qualified in Kings County
Commission Expires Dec. 8, 20 05

EXHIBIT "C-1"

SCHEDULE B-1 – PROJECTED ANNUAL ELECTRICITY COST

SCHEDULE B-1

Projected Annual Electricity Cost

By letter dated June 21, 2001 (and confirmed as of April 12, 2002), Cosentini Associates provided the following estimate of annual electric energy costs for lighting, air conditioning, heat pumps, hot water heating and for operating the typical electrical appliances located in each apartment:

Each unit's electrical consumption was calculated based upon 1 KW/square foot of power and lighting based upon a 14-hour day and 365 days per year. The steam fired domestic water heater power consumption was kept constant for all units. The air conditioning and heating load electric power consumption was based upon the actually heating and cooling load as affected by solar and transmission loads and not solely by heat to gain on a per square foot basis. Costs are based on an average Con Edison rate of $.1700 per kW Hour.

Apartment Size	Total Annual kWh	Total Annual Cost
311	3,804	351
322	3,938	364
461	5,638	521
466	5,699	527
496	6,066	560
606	7,411	685
608	7,436	687
609	7,448	688
647	7,913	731
649	7,937	733
650	7,950	735
657	8,035	742
660	8,072	746
662	8,096	748
666	8,145	753
668	8,170	755
670	8,194	757
683	8,353	772
689	8,426	779
692	8,463	782
694	8,488	784
695	8,500	785
697	8,524	788
698	8,537	789
758	9,270	857
766	9,368	866
1068	13,062	1207
1071	13,098	1210
1305	15,965	1,475
1307	15,994	1,477
1469	17,966	1,660
1483	18,137	1,676
1564	19,135	1,767
1571	19,213	1,775
1723	21,082	1,947
1783	21,818	2,015

Apartment Size	Total Annual kWh	Total Annual Cost
1788	21,876	2,020
1792	21,924	2,025
1793	21,935	2,026
1797	21,988	2,031
1798	22,000	2,032
2118	25,903	2,393
2167	26,512	2,449
2241	27,418	2,532
2353	28,788	2,659
2365	28,935	2,672
3624	44,341	4,095

The projected rates are not guaranteed and it must be expected that these rates will increase with the passage of time and may be affected by many factors, which are beyond the control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will be metered and will vary based on the personal needs of occupants and weather conditions.

EXHIBIT "C-2"

CERTIFICATION OF EXPERT REGARDING THE ADEQUACY OF THE PROJECTED ANNUAL ELECTRICITY COST

Bellmarc

Bellmarc Property Management

CERTIFICATION OF EXPERT CONCERNING THE ADEQUACY OF PROJECTED ANNUAL ELECTRICITY COST PURSUANT TO SECTION 20.4 (d) OF PART 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A AS AMENDED

April 12, 2002

New York State Department of Law
120 Broadway
New York, NY 10271
Attn.: Real Estate Financing Bureau

Re: 150 Nassau Street Condominium
150 Nassau Street, New York, New York

The undersigned, Bellmarc Property Management Services, Inc. certifies as follows:

The sponsor of the Condominium Offering Plan for the above captioned property retained our firm to review Schedule B-1 to the Offering Plan containing projections of electricity costs payable by the owners of the residential units for the fiscal year December 1, 2002 through November 30, 2003.

Bellmarc Property Management Services, Inc. has been engaged in the management of residential and commercial real estate for the past fourteen years managing approximately twenty-five buildings, and is a licensed real estate broker in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B-1.

We have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying the Schedule with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B-1 appear reasonable and adequate under existing circumstances and appear to be sufficient to meet the anticipated electricity costs for the fiscal year December 1, 2002 through November 30, 2003.

We certify that the Schedule B-1:

(i) sets forth in detail the projected electrical usage and costs for the fiscal year December 1, 2002 through November 30, 2003;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representations or statements made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this Certification is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on it. This statement is not intended as a guarantee or warranty of the electricity costs to residential unit owners for fiscal year December 1, 2002 through November 30, 2003.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

BELLMARC PROPERTY MANAGEMENT SERVICES, INC.

By: _____
Name: John R. Janangelo
Title: President

Sworn to before me this
12th day of April 2002.

_____
Notary Public

JACKIE J. THERMIDOR
Notary Public, State of New York
No. 01TH600159
Qualified in Kings County
Commission Expires Dec. 8, 2005

EXHIBIT "D"

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

KARL
FISCHER
ARCHITECTE
OAQ OAA RAIC AIA

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

ADDENDUM TO THE REPORT

(Note: Changes highlighted in bold letters)

Item 1: Section B Status of Construction:

Article # 5 is to be replaced with the following.

5. Lower floor apartments (floors 3 to 9) are all studios, 1 bedroom and 2 bedroom units ranging in size from **311** for a studio to 1071 for a 2 bedroom unit.

   Appliances for lower floor units **(floors 3 to 9 inclusive)** are as follows:

Gas Range:	**Kitchen Aide: 30" Dual Fuel Range (KGST307H)**
Microwave:	**Microwave / Hood Combination (Non Venting) Kitchen Aid: 30" (KHMS145KSS) in Stainless steel**
Refrigerator :	**Sub-Zero: 30" Built in refrigerator (611) Stainless steel finish**
Dishwasher:	**Mielle 18" integrated (G 800, 4" Toe Kick) with applied door panel to match cabinets**

Kitchen Cabinets to be dark Walnut veneer to match "Boffi" type kitchens with stainless steel back splash.
Counter tops will be in stainless steel and ¾" granite.

Hardwood flooring will be installed in all bedrooms and living and dining areas, kitchens and foyers.
Hardwood flooring to be 4" wide red oak strip flooring random length planks, stained and nailed to ¾" plywood substrate.
Stone tiles will be installed in all bathrooms including floor and full height on walls and shower surround.
Bathroom sink will be under mounted Kohler sink K2211 Caxton
Bathroom vanity to be one piece "banjo" type stone vanity

NEW YORK 371 BROADWAY 5TH FLOOR NEW YORK NY 10013 USA TEL 212 625 8855 FAX 212 625 8867
e-mail: karl.fischer@gkarchitect.com internet: www.total.net/~kfa

MONTRÉAL 1420 NOTRE-DAME OUEST MONTRÉAL QC H3C 1K9 CANADA TÉL 514 933 4137 FAX 514 933 0409
e-mail: kfa@total.net internet: www.total.net/~kfa

Item 2: Section B Status of Construction

Article # 6 is to be replaced with the following:

6. The major portion of the first floor will be used for commercial purposes while the remainder of the first floor will be used for the residential entrance. **There will be one residential entrance on Nassau Street. A secondary entrance to serve only as the accessible entrance to the building will be located adjacent to the main entrance on Nassau Street. An approved type chair lift will be used.**

Item 3: Section H Structural System

Article # 4.2 is to be replaced with the following:

4.2 Terrace finishes will be of pre cast concrete pavers

Item 4: Section H Structural System

Article # 5.0 Exterior Entrances is to be replaced with the following:

5.1 The main entrance to the residential apartments from floors **2 through 9 and 10 through 20 and the penthouse unit will be located on Nassau Street.**
The two story original entrance design will be replicated with precast stone complete with columns, steps and detailing. The glazed entrance doors and side lights will be from aluminum frames and sealed double glazing. The design of the entrance doors will replicate the original look. New storefront glazed entrance doors and sidelights will be from aluminum frames and sealed double glazing. The design will replicate the original look.

Item 5: Section N Ventilation:

Article # 1 is to be replaced with the following:

1. Kitchens in the studio apartments only are exhausted as required by NYC Building Code. Kitchens in all condominium apartments on floors 10 to 20 are exhausted by a hood with built in exhaust fan and a central riser duct. **Kitchens in one and 2 bedroom apartments on floors 2 through 9 will have vertical non venting recirculating type microwave /hood combination**



NEW YORK 371 BROADWAY 5TH FLOOR NEW YORK NY 10013 USA TEL 212 625 8855 FAX 212 625 8867
e-mail: karl.fischer@gkarchitect.com internet: www.kfarchitect.com
MONTREAL 1420 NOTRE-DAME OUEST MONTRÉAL QC H3C 1K9 CANADA TÉL 514 933 4137 FAX 514 933 4109
e-mail: mailkfa@kfarchitect.com internet: www.kfarchitect.com

EXHIBIT "E"

CERTIFICATION OF ARCHITECT

KARL
FISCHER
ARCHITECTE
OAQ OAA RAIC AIA

PART 20: CERTIFICATION OF ENGINEER OR ARCHITECT
RE: NEWLY CONSTRUCTED OR VACANT UNITS

New York State Department of Law
Real Estate Financing Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
150 Nassau Condominium
150 Nassau Street
New York, New York 10058

The sponsor of the condominium offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction and/or renovation of the property (the "Report"). I visually inspected existing portions of the Renovated property, on April 25th 2002 and I examined the building plans and specifications prepared by my office, dated April 5th 2001, and prepared the Report dated Octobeer 30th 2001, I am supplementing the Report in this Addendum dated April 29th 2002, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report and Addendum.

I am a registered architect in the state in which the captioned property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Addendum.

I have read the entire Addendum and investigated the facts set forth in the Addendum and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Addendum:

(i) sets forth in narrative form, the aspects of the property discussed in the Addendum as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I examined;

(ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning

NEW YORK 371 BROADWAY 5TH FLOOR NEW YORK NY 10013 USA TEL 212 625 8855 FAX 212 625 8867
e-mail: karl.fischer@gkarchitect.com internet: www.total.net/~kfa

MONTRÉAL 1420 NOTRE-DAME OUEST MONTRÉAL QC H3C 1K9 CANADA TÉL 514 933 4137 FAX 514 933 0409
e-mail: kfa@total.net internet: www.total.net/~kfa

the aspects of the property discussed in the Addendum as it will exist upon completion of renovation and/or construction, provided that renovation and/or construction is in accordance with the plans and specifications that I examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where I:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my/our compensation for preparing this Addendum is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

By: Karl Fischer.
Name:
Title: Architect.

Sworn to before me this
1st day of May, 2002

Chanelle Dubov
Notary Public

CHANELLE DUBOV
Notary Public, State of New York
No. 01DU6007839
Qualified in Kings County
Commission Expires May 26, 2002

(Engineer's or Architect's Seal)

REGISTERED ARCHITECT
KARL FISCHER
021282
STATE OF NEW YORK

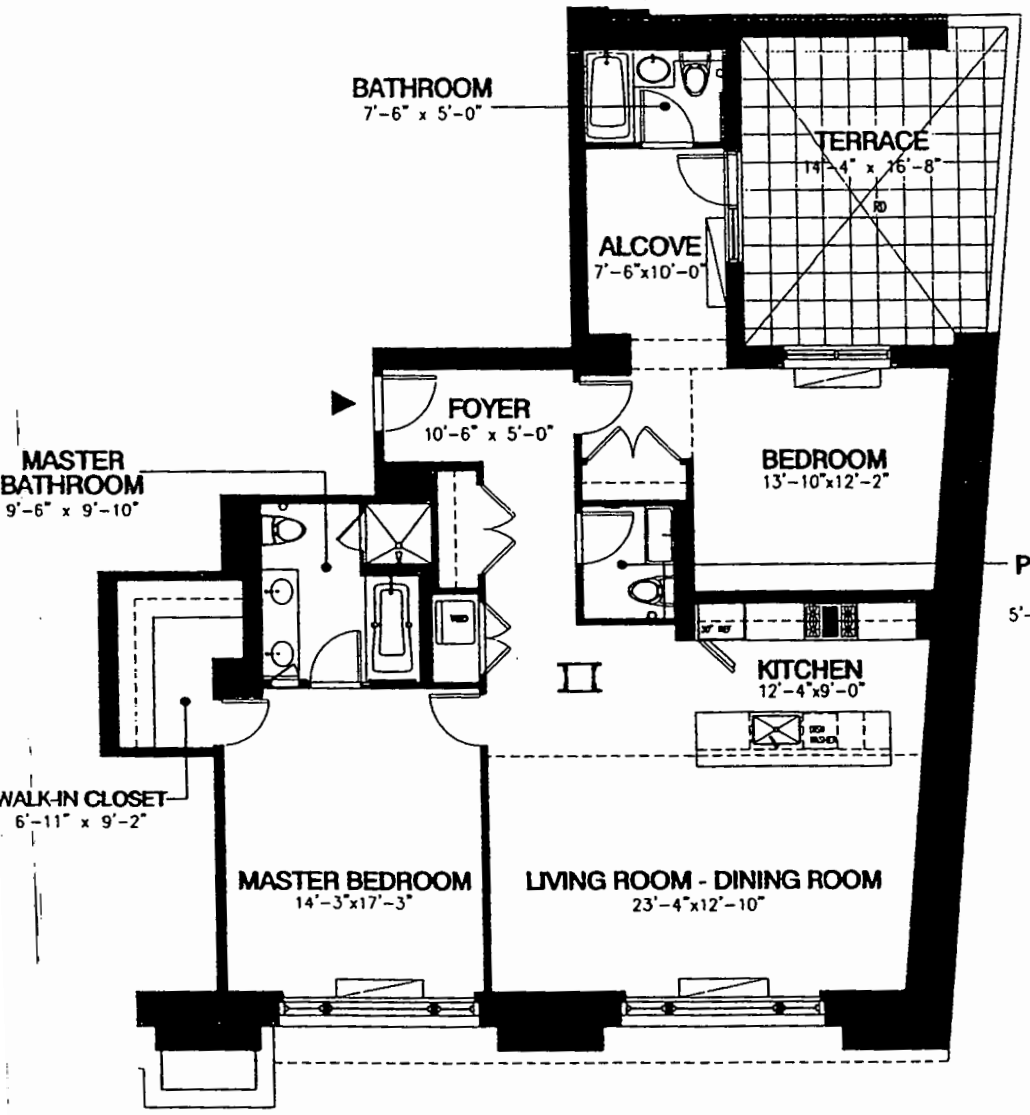
NEW YORK 371 BROADWAY 5TH FLOOR NEW YORK NY 10013 USA TEL 212 625 8855 FAX 212 625 8867
e-mail: karl.fischer@gkarchitect.com internet: www.kfarchitect.com

MONTRÉAL 1420 NOTRE-DAME OUEST MONTRÉAL QC H3C 1K9 CANADA TÉL 514 933 4137 FAX 514 933 0409
e-mail: mailkfa@kfarchitect.com internet: www.kfarchitect.com

EXHIBIT "F"

FLOOR PLANS

150 NASSAU

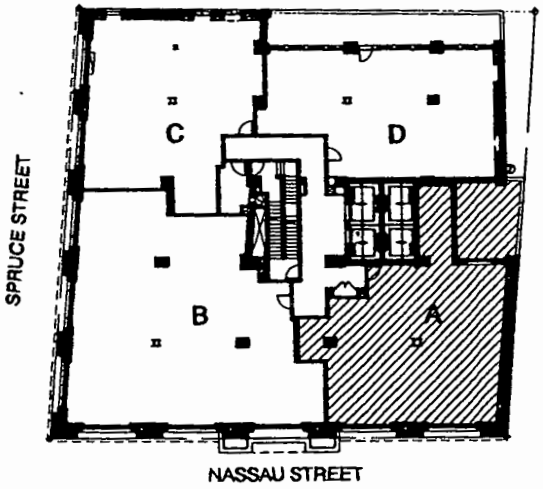


2A
2 BEDROOMS
2 BATHS / 1 POWDER

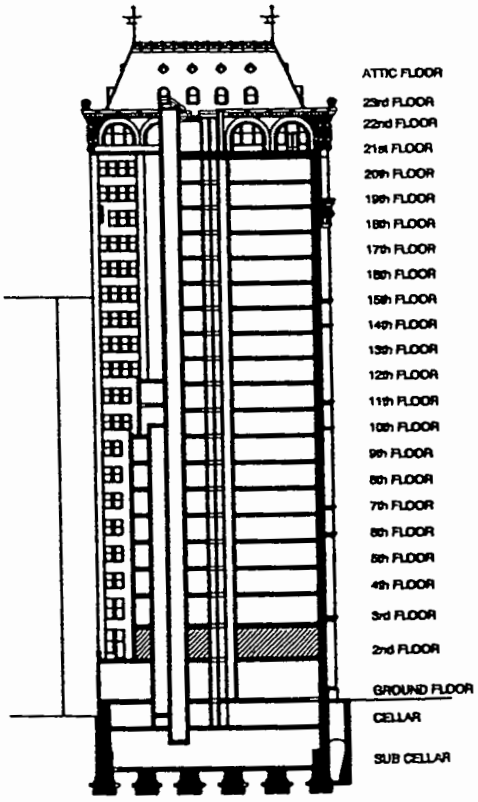
FLOOR NUMBER	APARTMENT AREA
2A	1,711 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



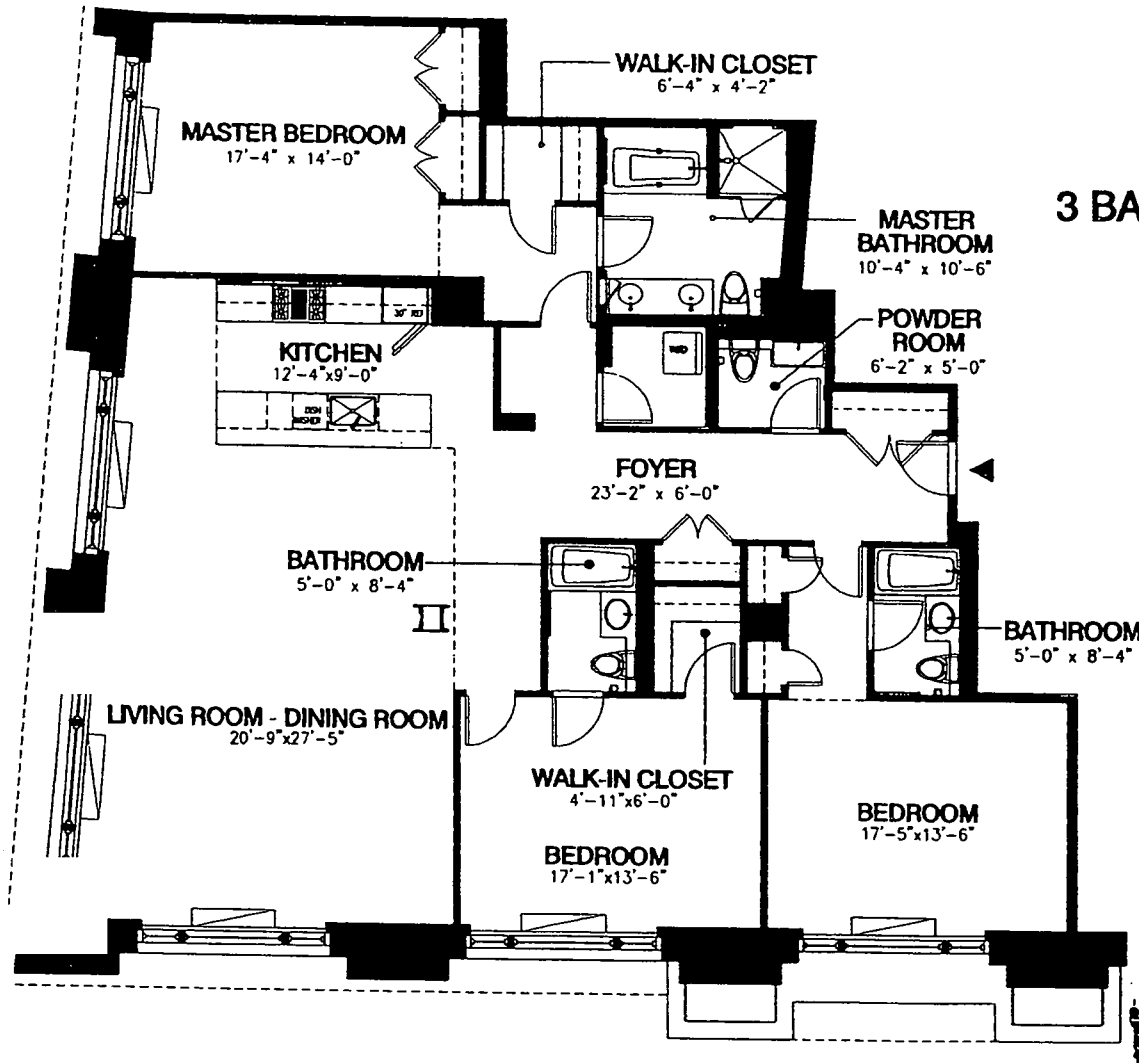
KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

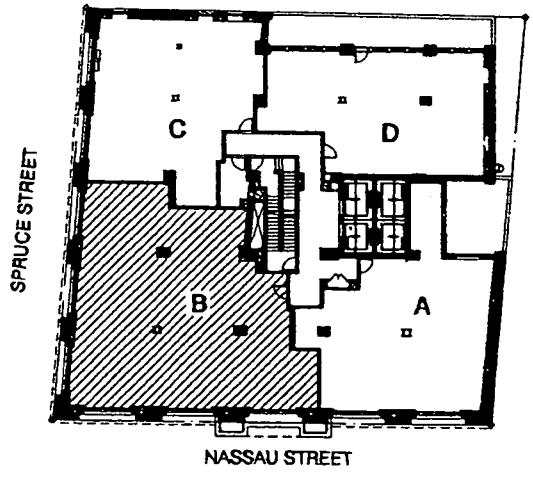


2B
3 BEDROOMS
3 BATHS / 1 POWDER

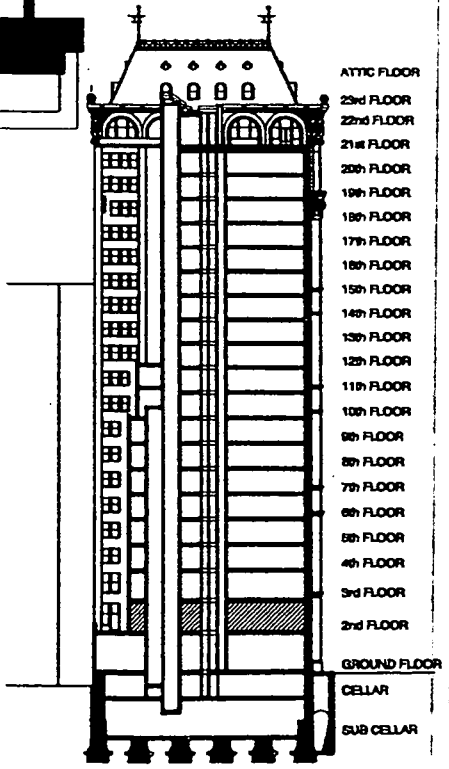
FLOOR NUMBER	APARTMENT AREA
2B	2, 512 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

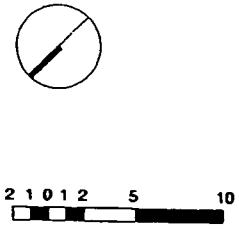
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

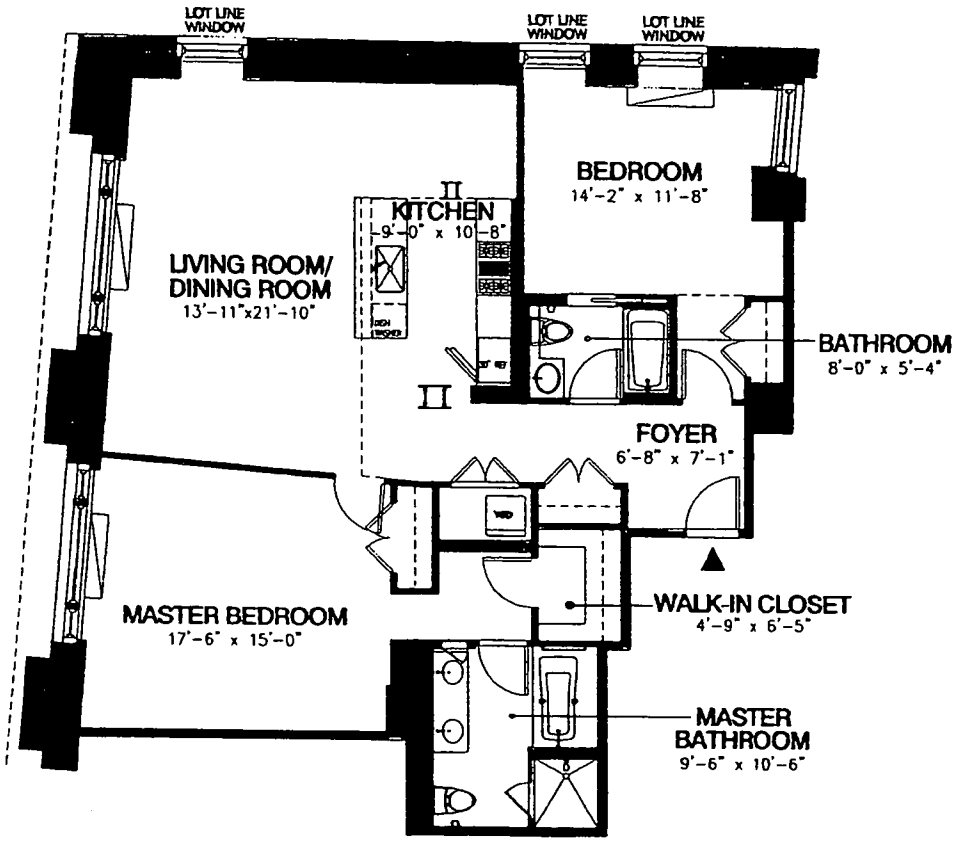


AT CITY HALL PARK

150 NASSAU

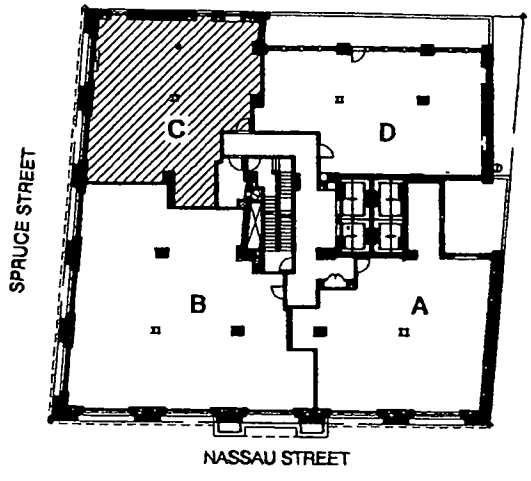
2C
2 BEDROOMS
2 BATHROOMS

FLOOR NUMBER	APARTMENT AREA
2C	1,571 SQ.FT.

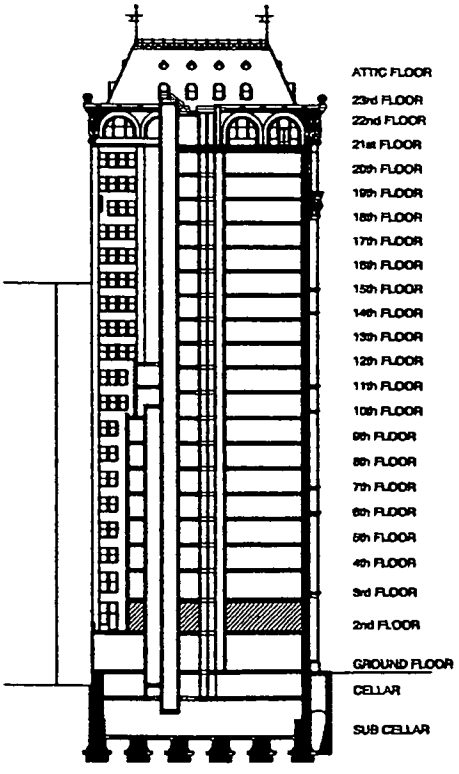


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

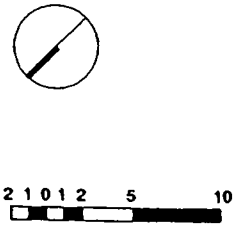
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

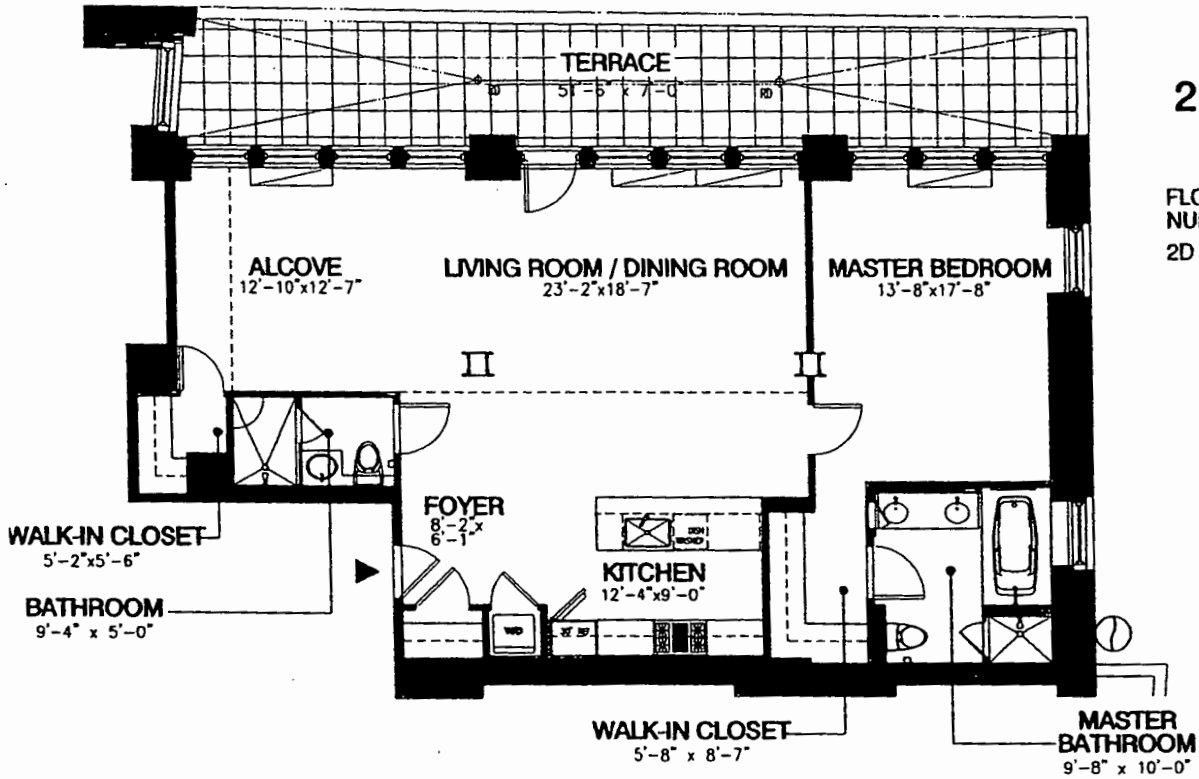


VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

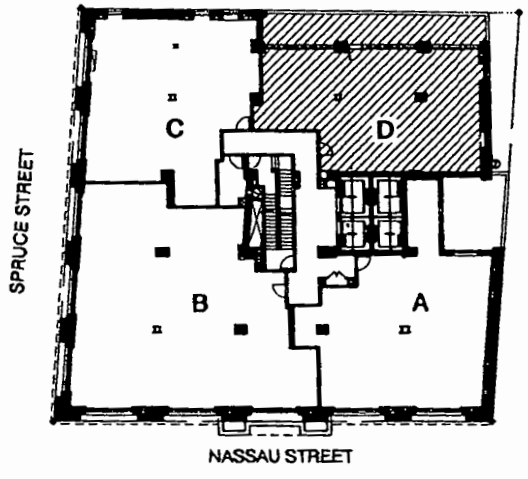


2D
1 BEDROOM
2 BATHROOMS

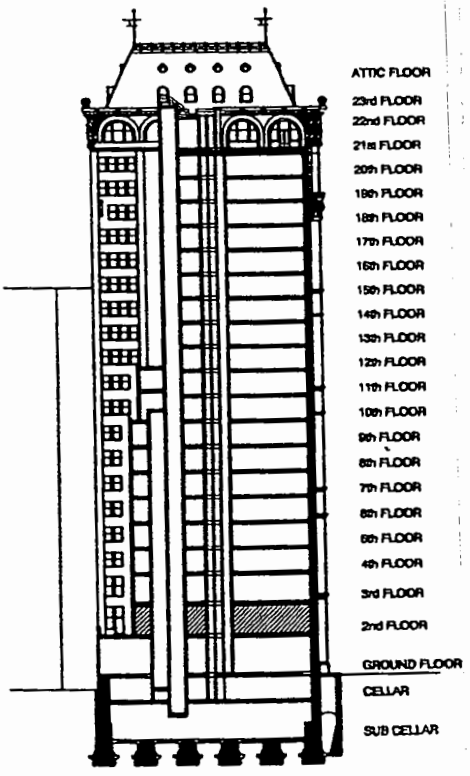
FLOOR NUMBER	APARTMENT AREA
2D	1,483 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

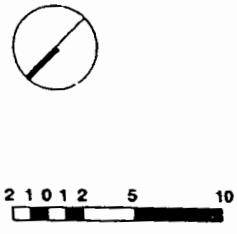
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

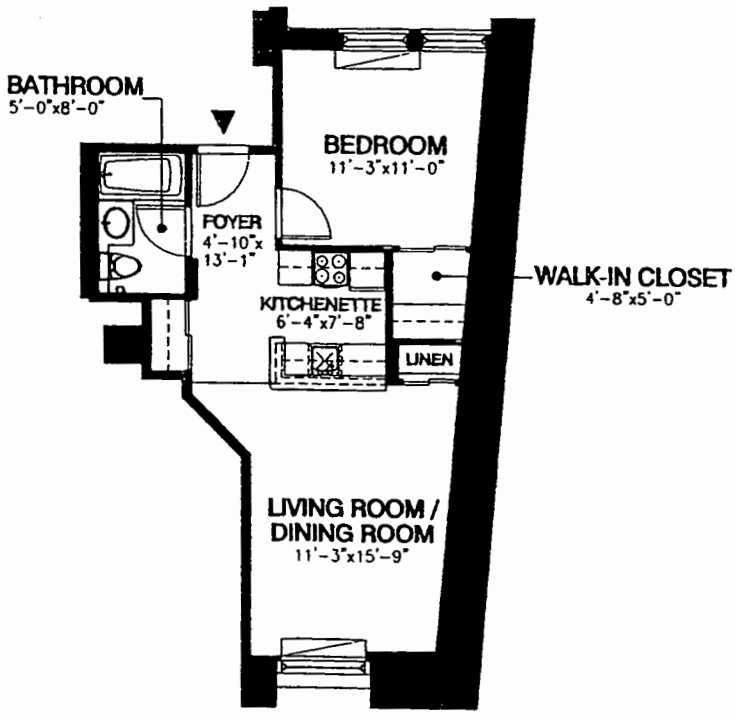


AT CITY HALL PARK

150 NASSAU

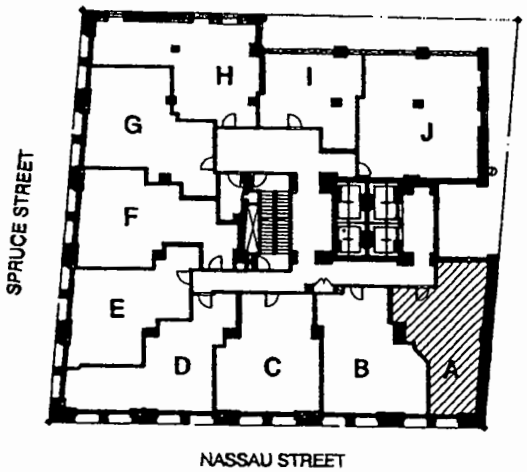
3A
1 BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
3A	670 SQ.FT.

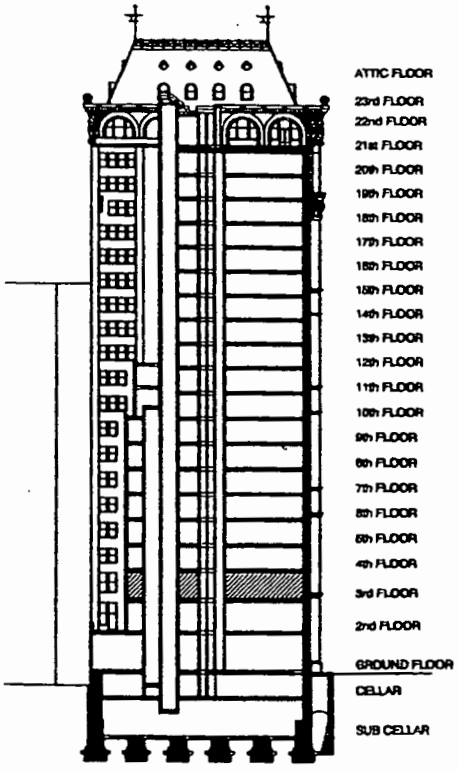


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

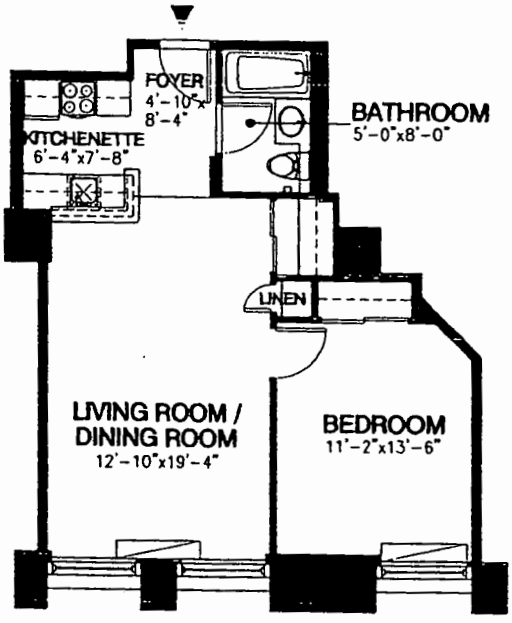
2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

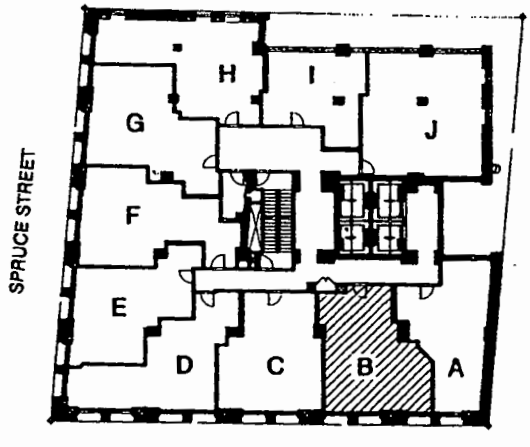
3B
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
3B	662 SQ.FT.

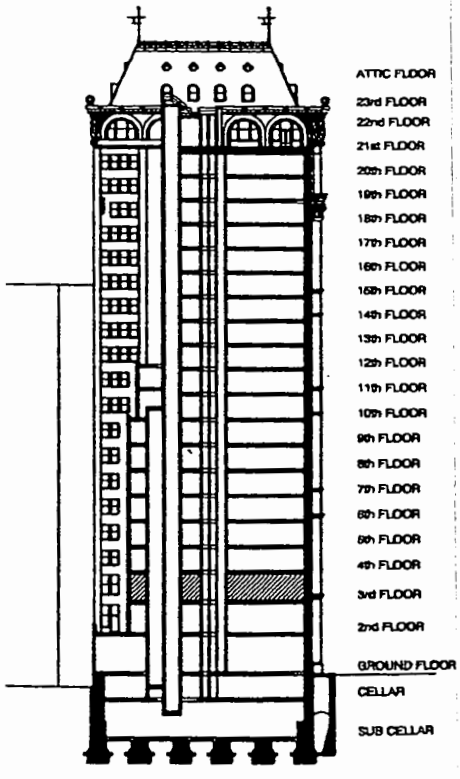


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

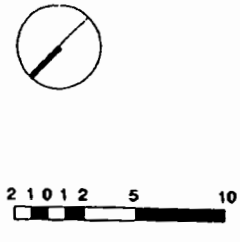
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



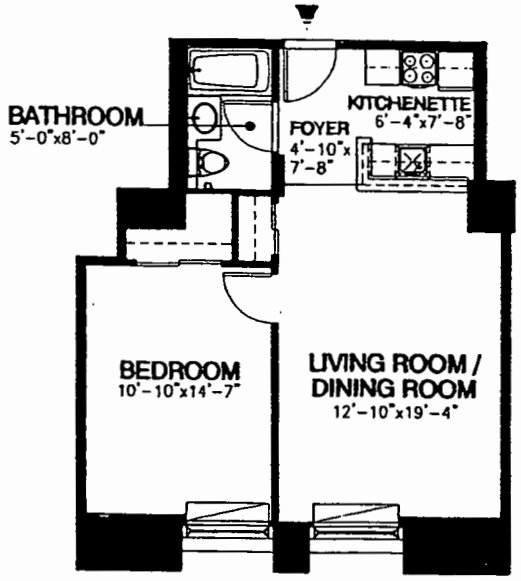
VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

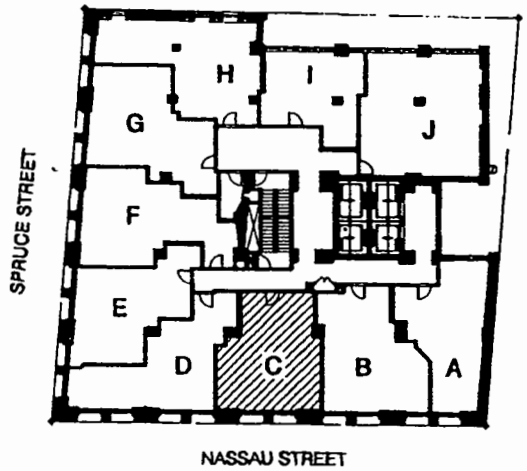
3C
1BEDROOM
1 BATH



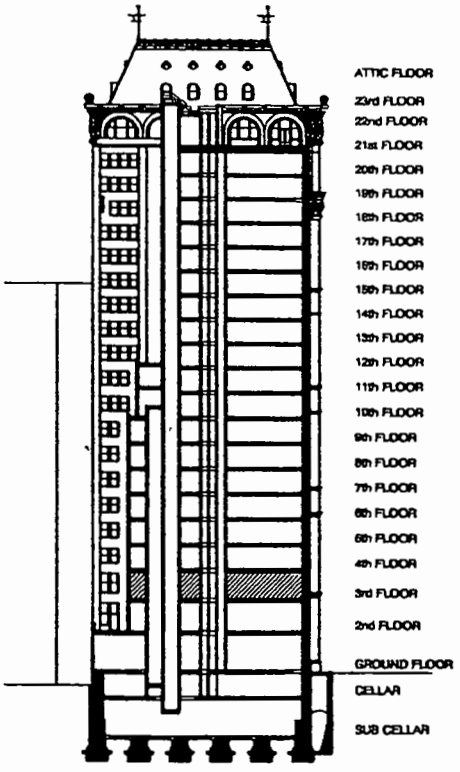
FLOOR NUMBER	APARTMENT AREA
3C	650 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

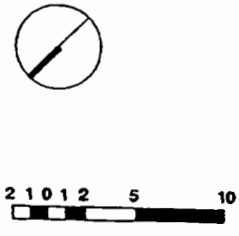
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

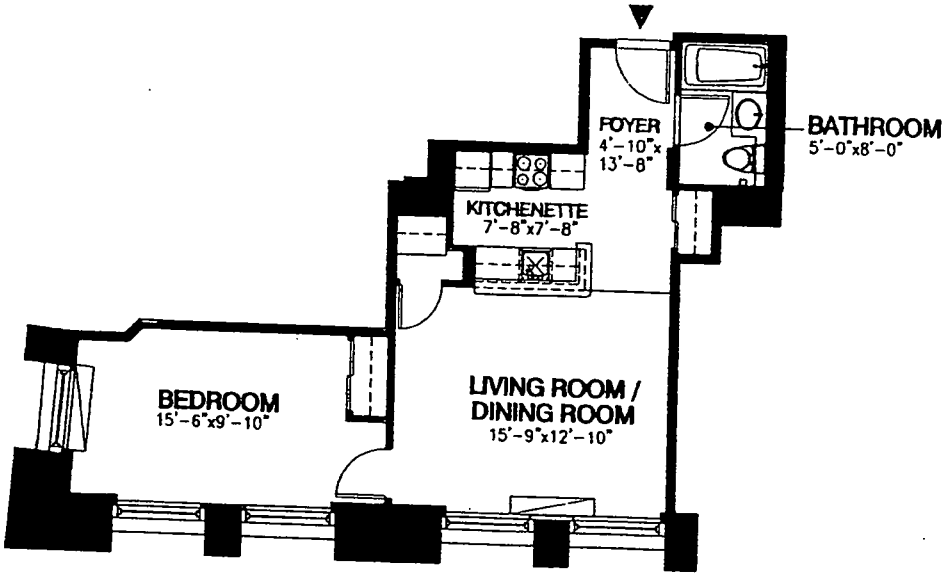


AT CITY HALL PARK

150 NASSAU

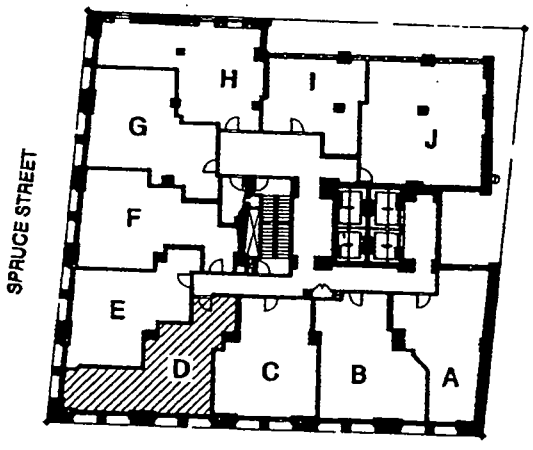
3D
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
3D	692 SQ.FT.

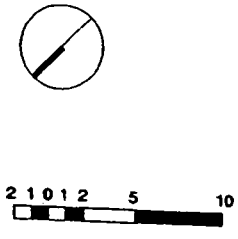


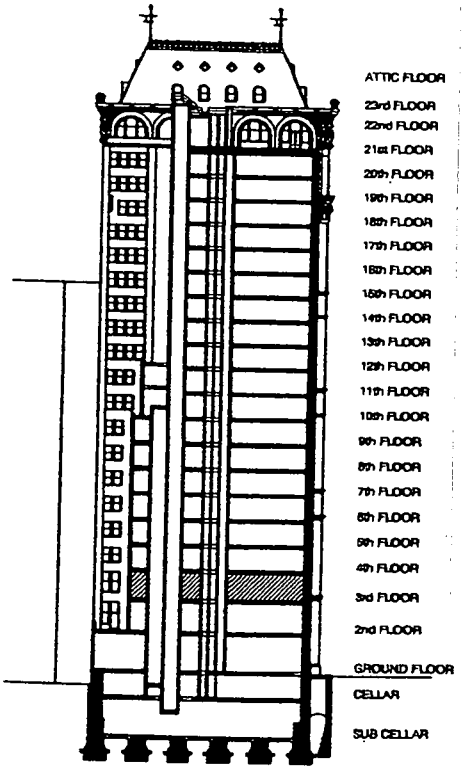
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN





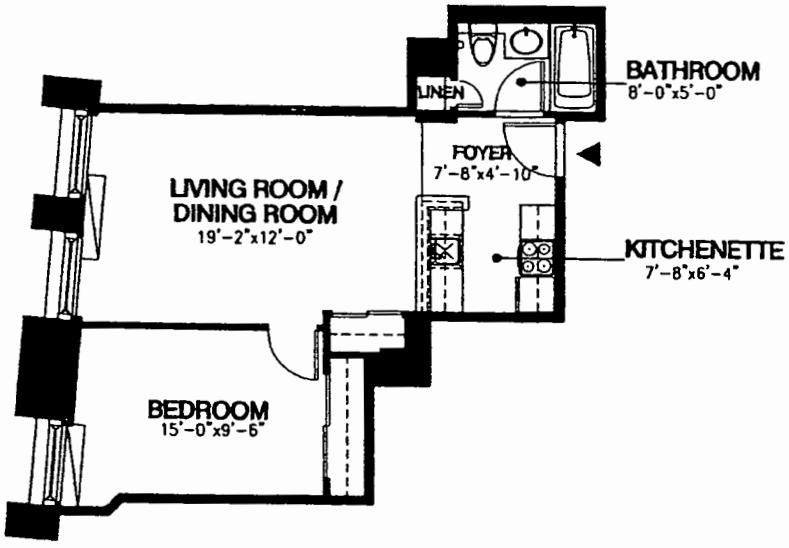
VERTICAL SECTION

AT CITY HALL PARK

130 NASSAU

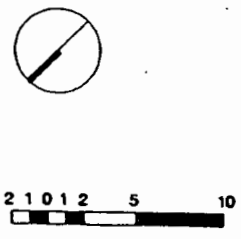
3E
1BEDROOM
1 BATH

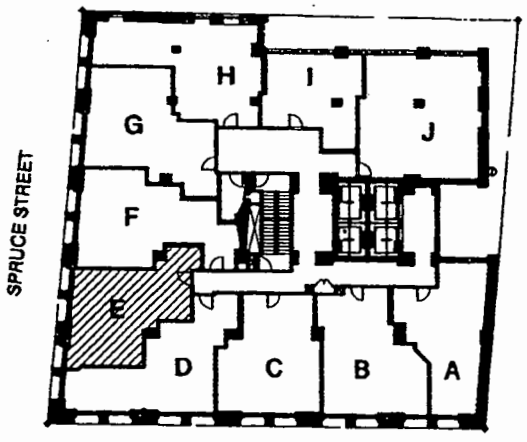
FLOOR NUMBER	APARTMENT AREA
3E	609 SQ.FT.



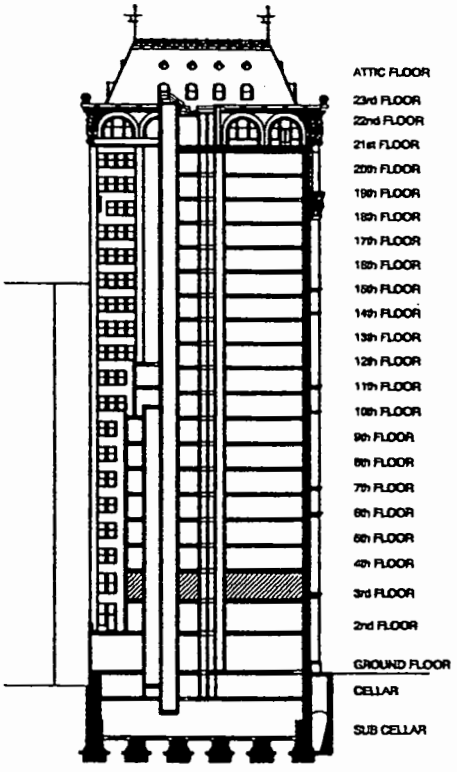
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN

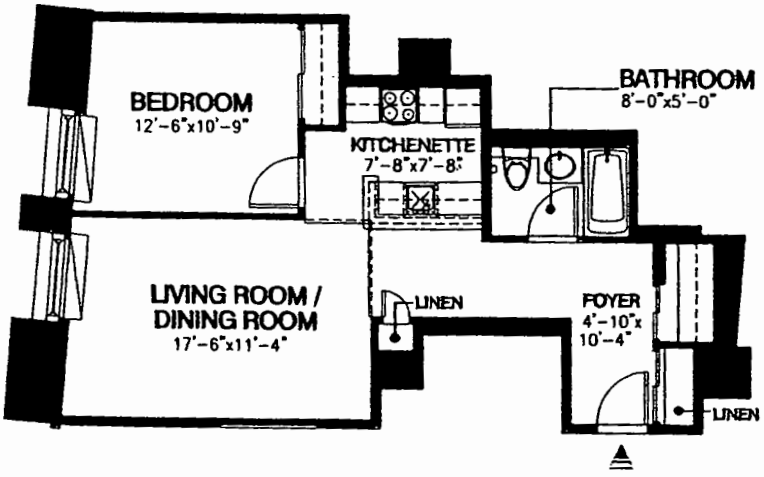


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

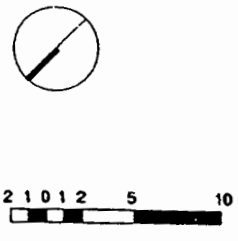
3F
1 BEDROOM
1 BATH

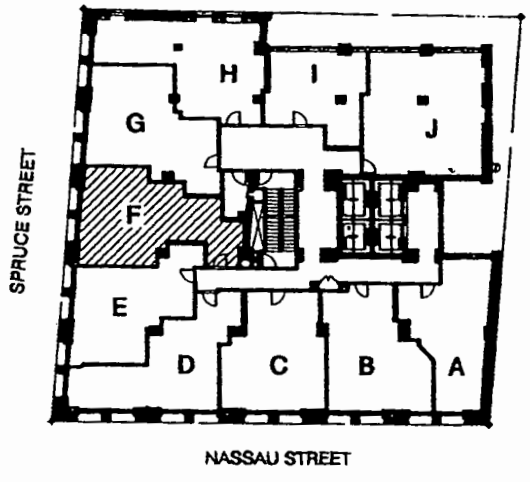


FLOOR NUMBER	APARTMENT AREA
3F	698 SQ.FT.

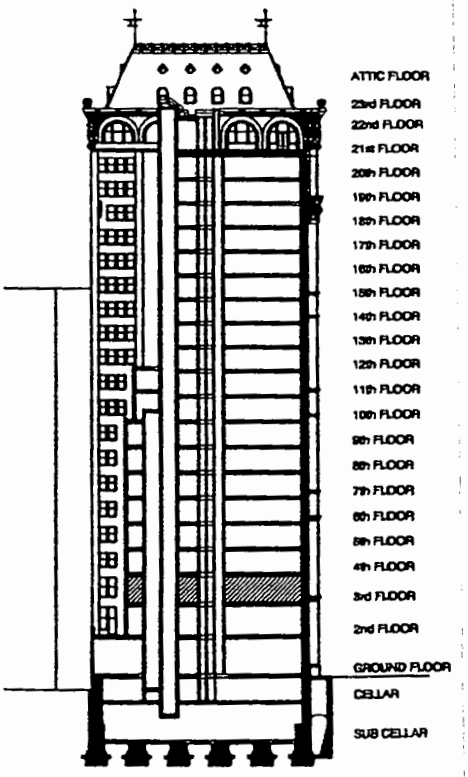
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

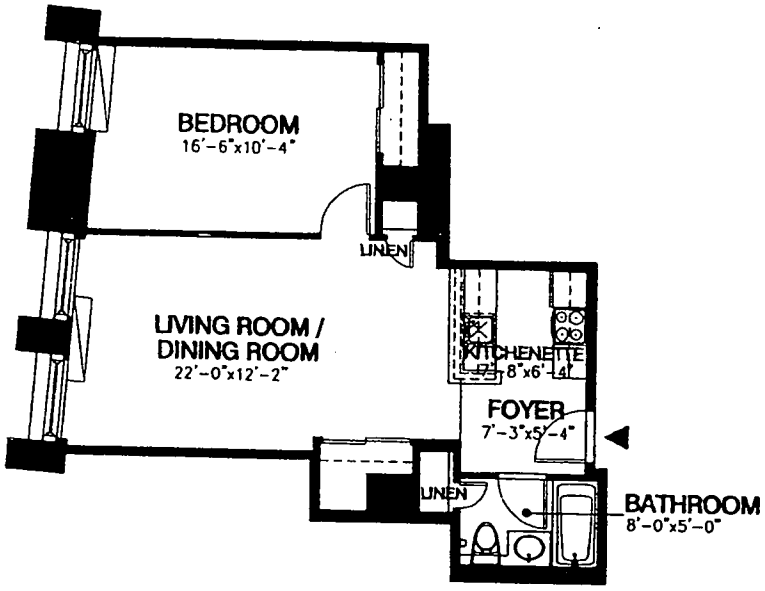
150 NASSAU

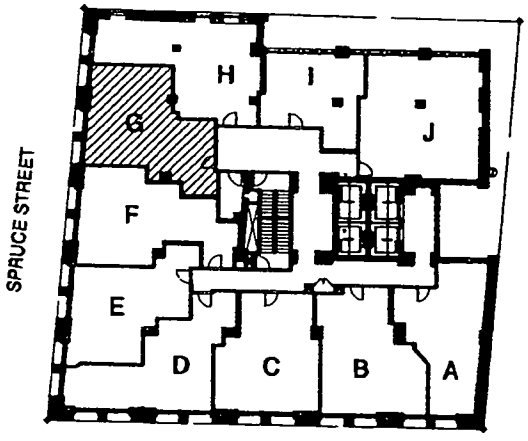
3G
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
3G	694 SQ.FT.

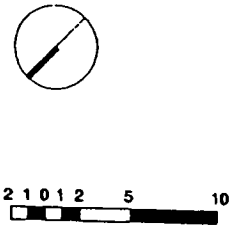
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

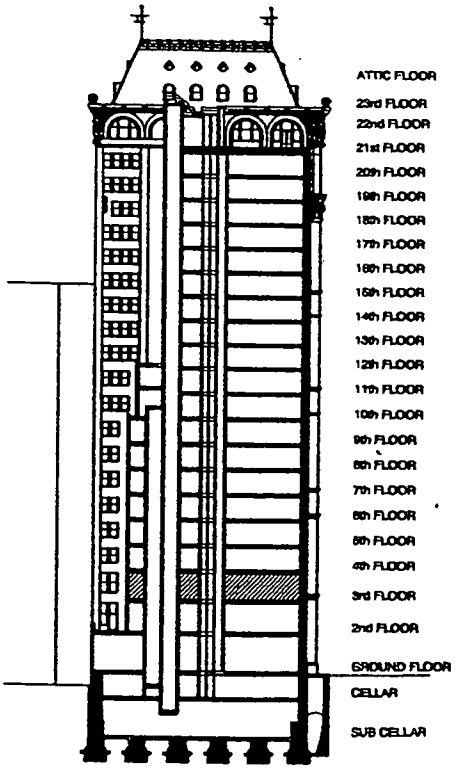
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN

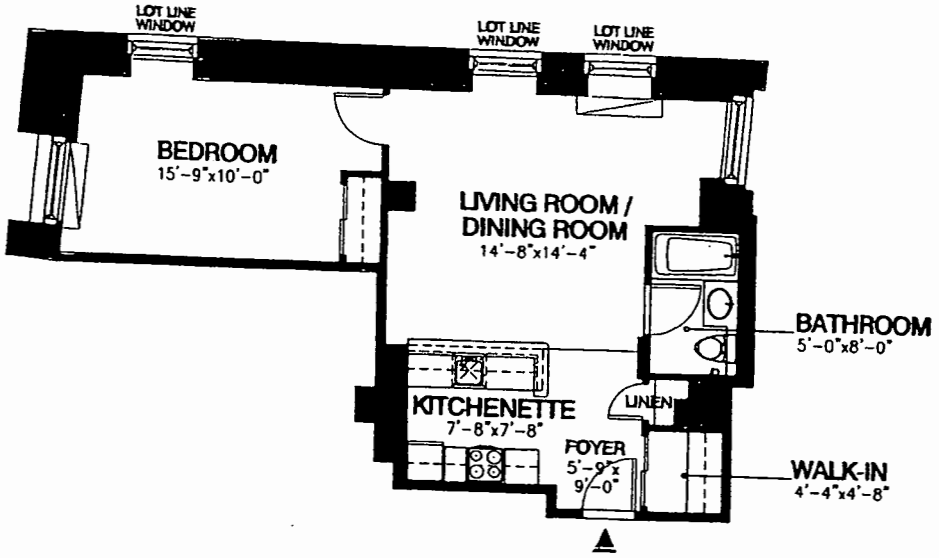




VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

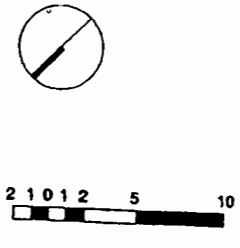


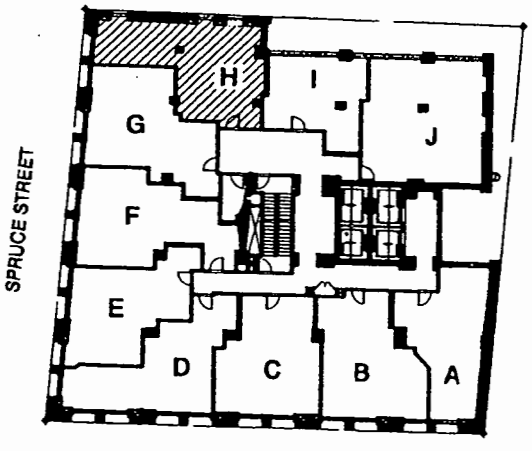
3H
1 BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
3H	763 SQ.FT.

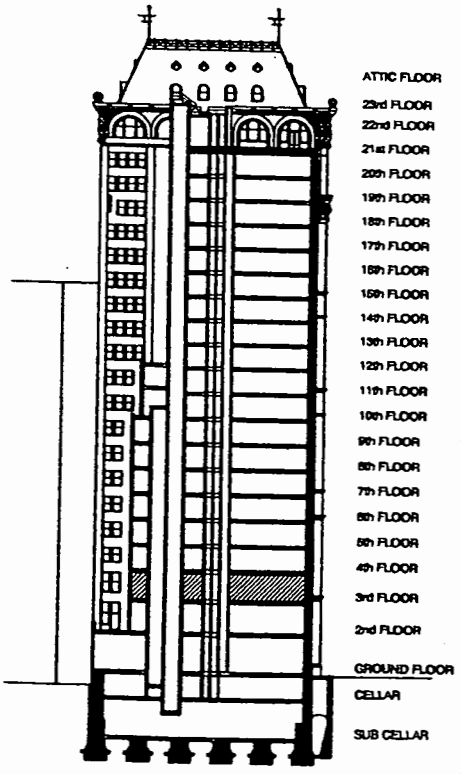
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN

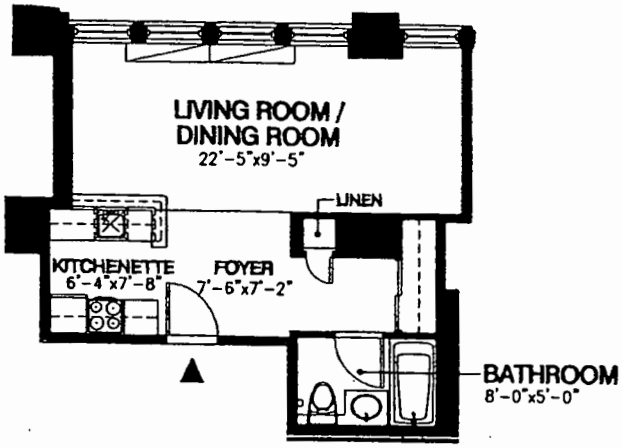


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

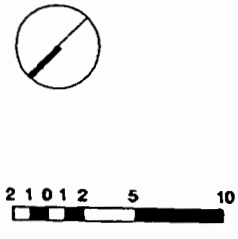
31
STUDIO
1 BATH

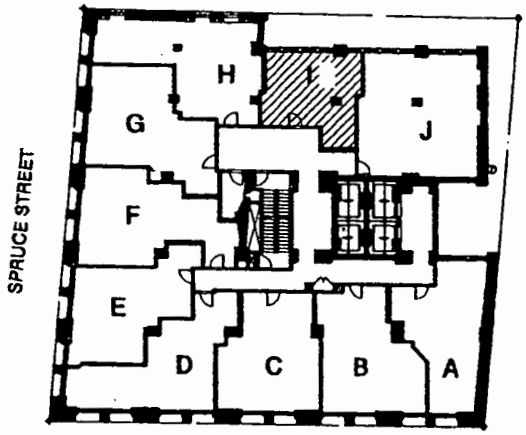


FLOOR NUMBER	APARTMENT AREA
31	466 SQ.FT.

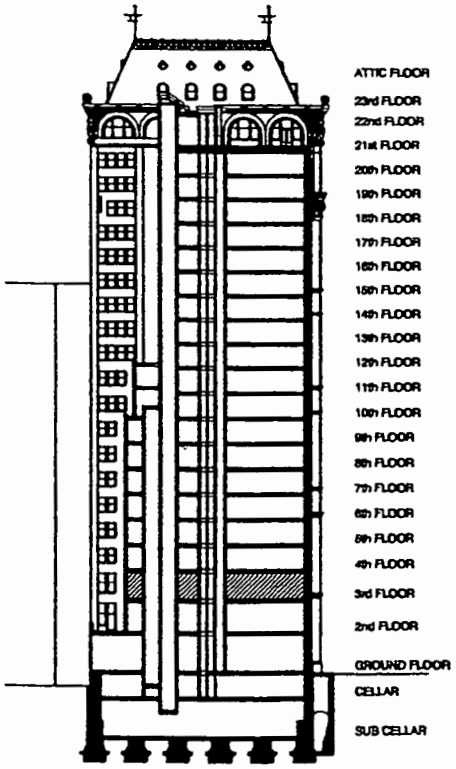
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN

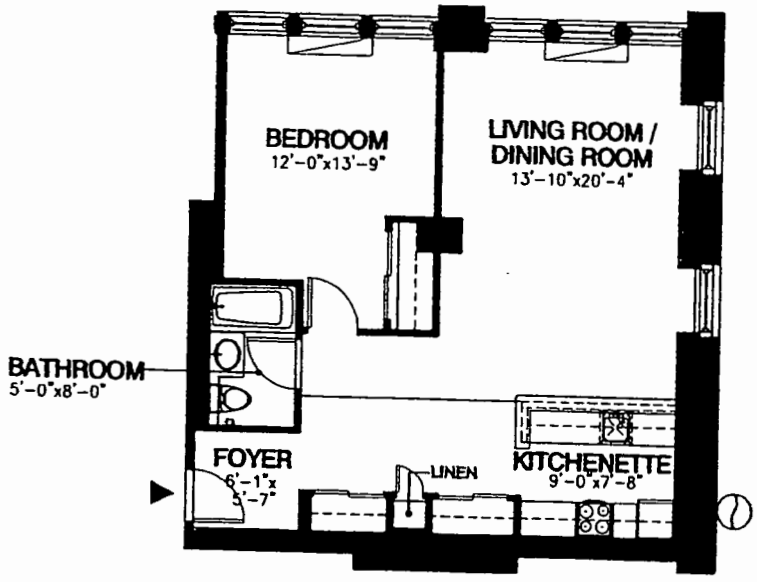


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

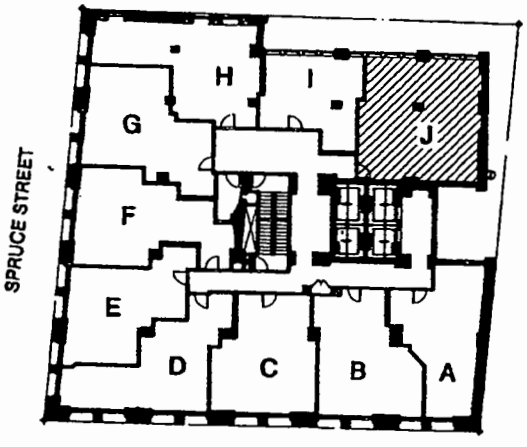
3J
1 BEDROOM
1 BATH



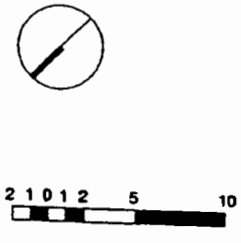
FLOOR NUMBER	APARTMENT AREA
3J	901 SQ.FT.

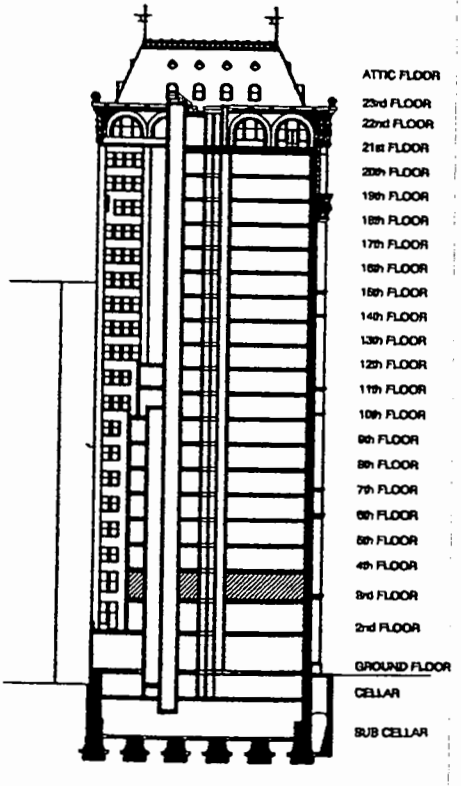
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN





VERTICAL SECTION

AT CITY HALL PARK

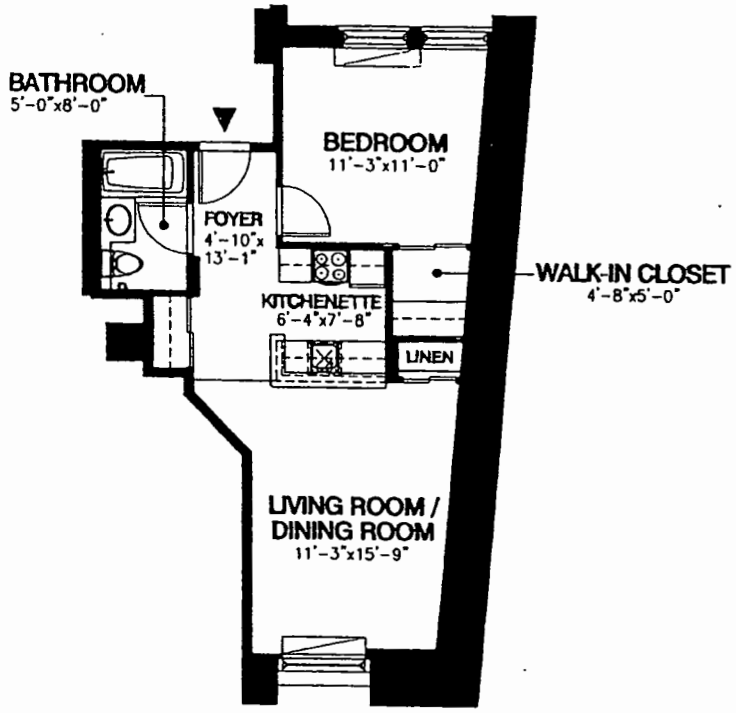
150 NASSAU

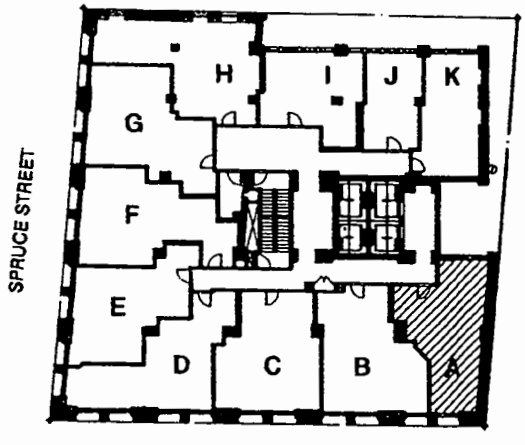
4A
1 BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
4A	670 SQ.FT.

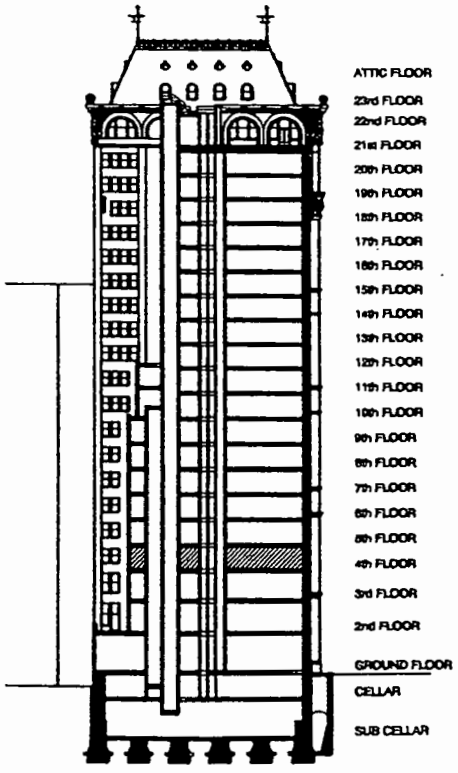
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.

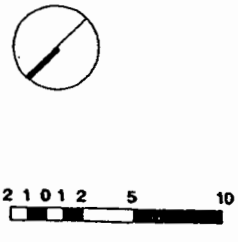




KEY PLAN



VERTICAL SECTION

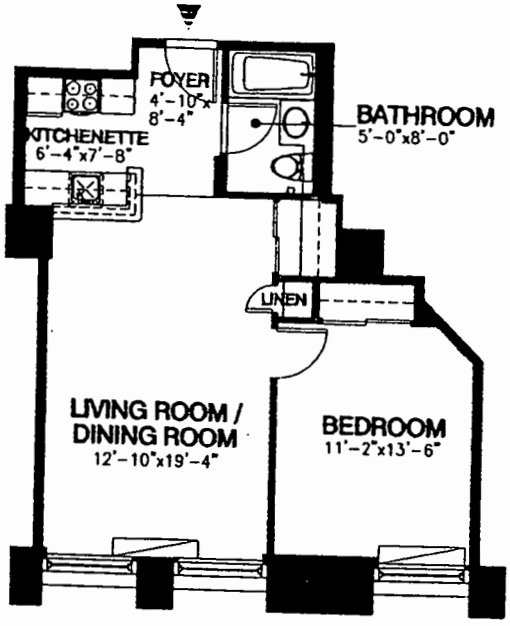


AT CITY HALL PARK

150 NASSAU

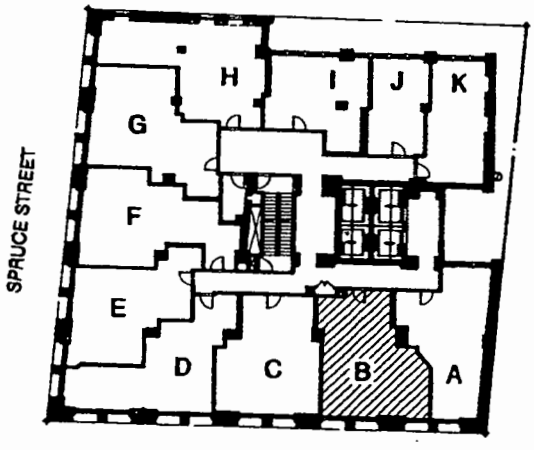
4B
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
4B	662 SQ.FT.

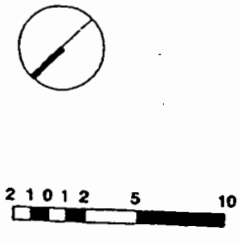


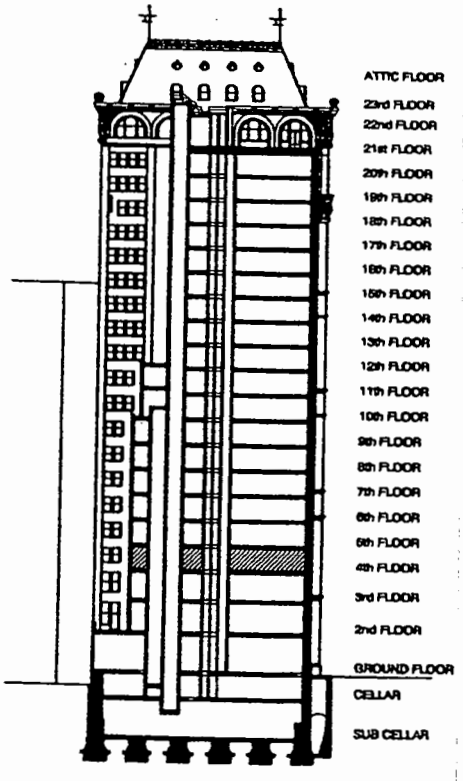
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



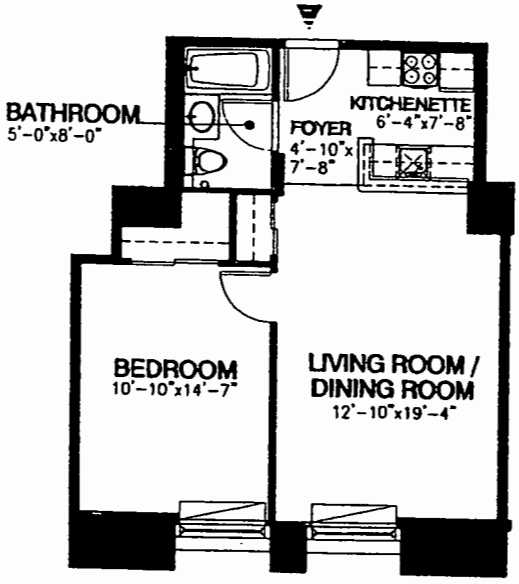


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

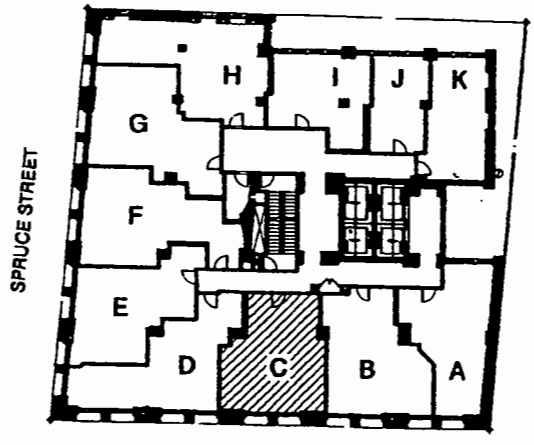
4C
1BEDROOM
1 BATH



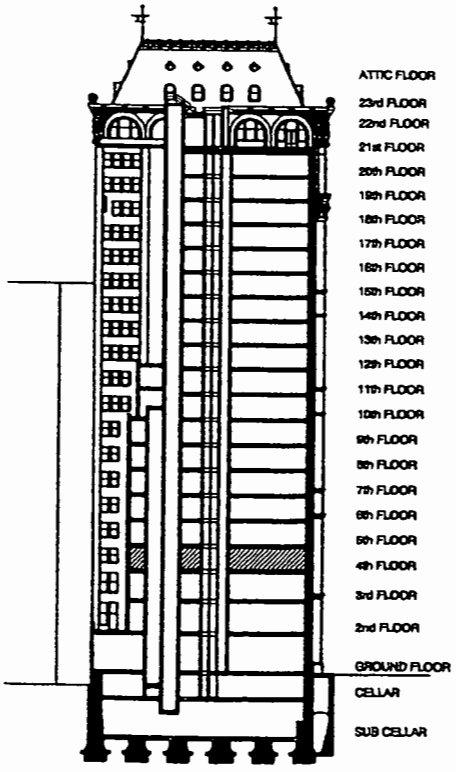
FLOOR NUMBER	APARTMENT AREA
4C	650 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

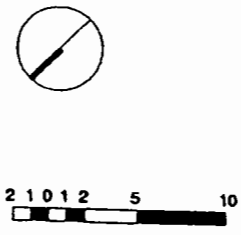
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



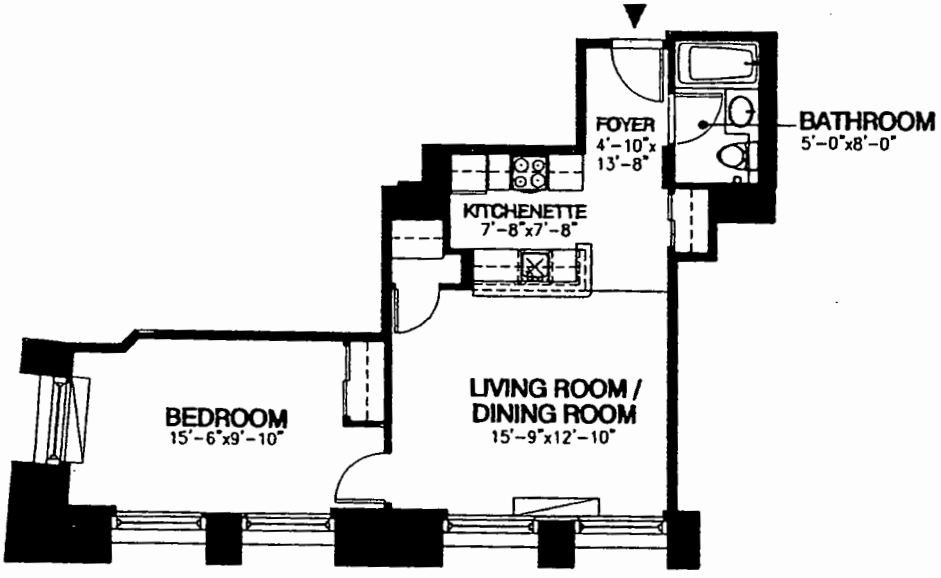
VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

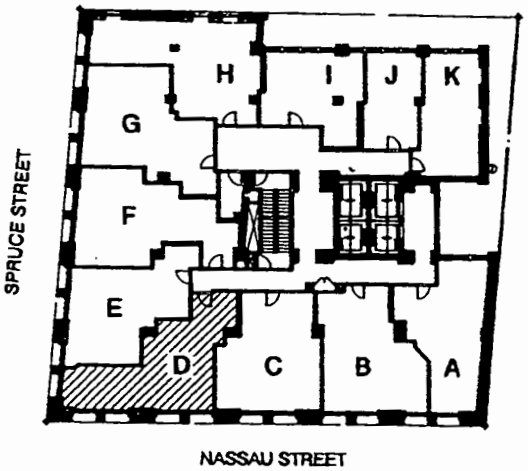
4D
1BEDROOM
1 BATH



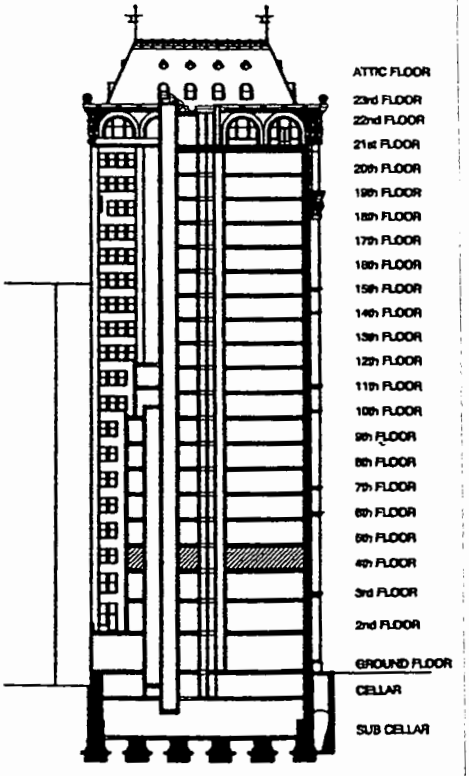
FLOOR NUMBER	APARTMENT AREA
4D	692 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

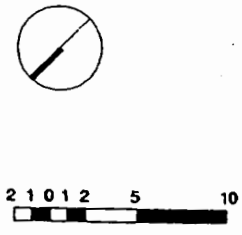
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

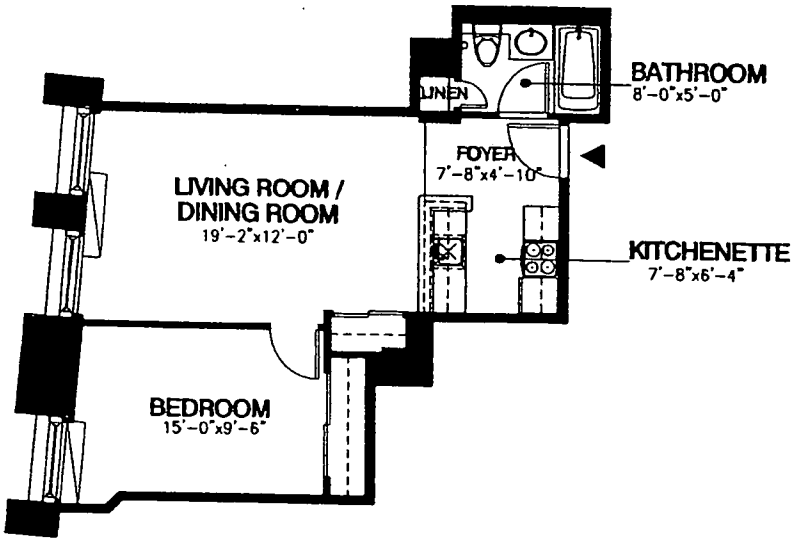


AT CITY HALL PARK

150 NASSAU

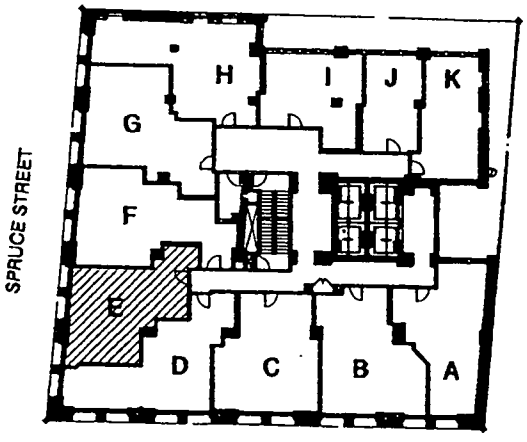
4E
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
4E	609 SQ.FT.

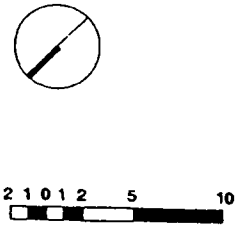


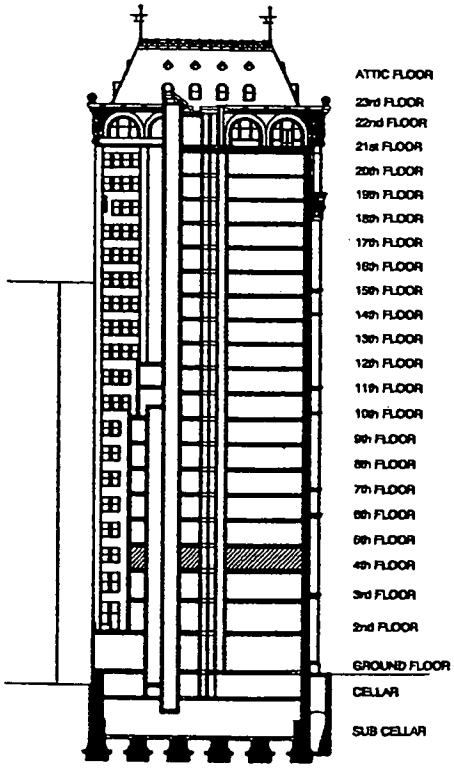
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



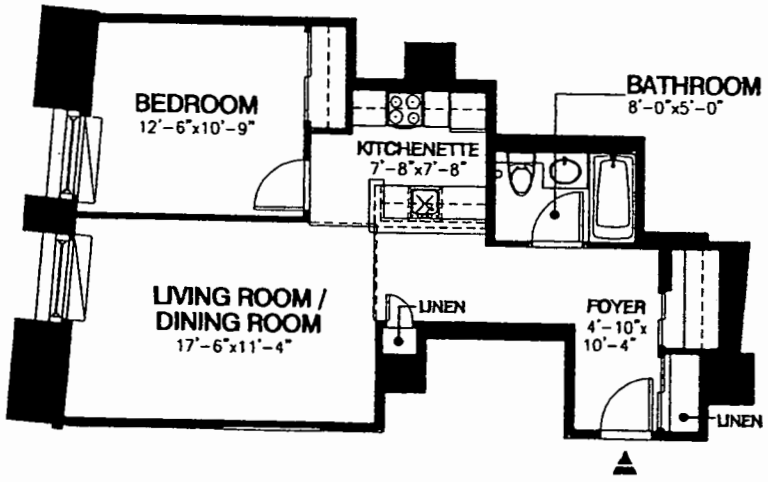


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

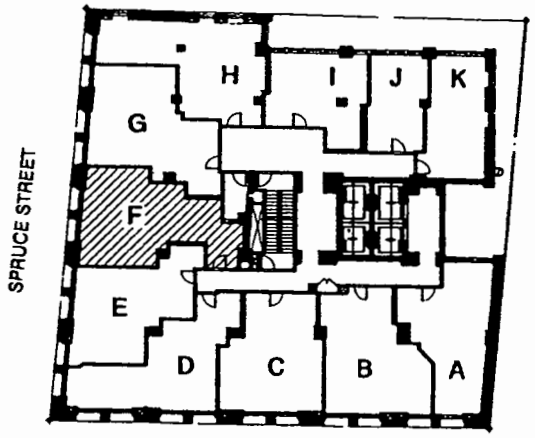
4F
1 BEDROOM
1 BATH



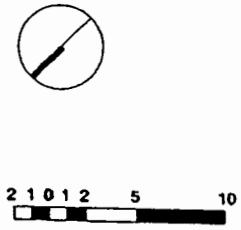
FLOOR NUMBER	APARTMENT AREA
4F	698 SQ.FT.

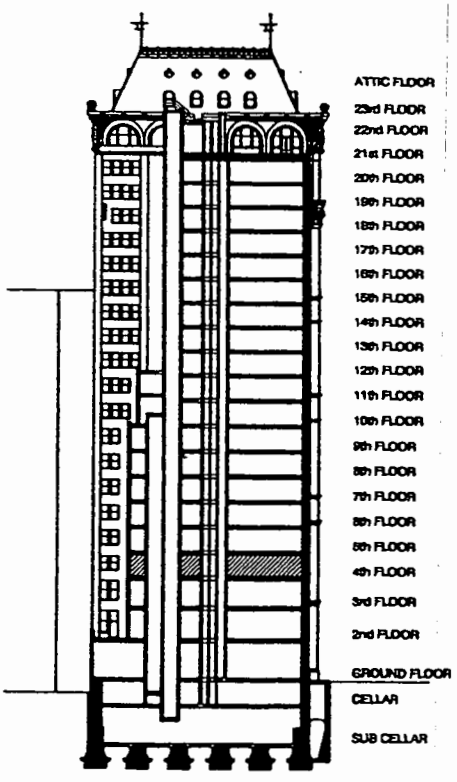
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN





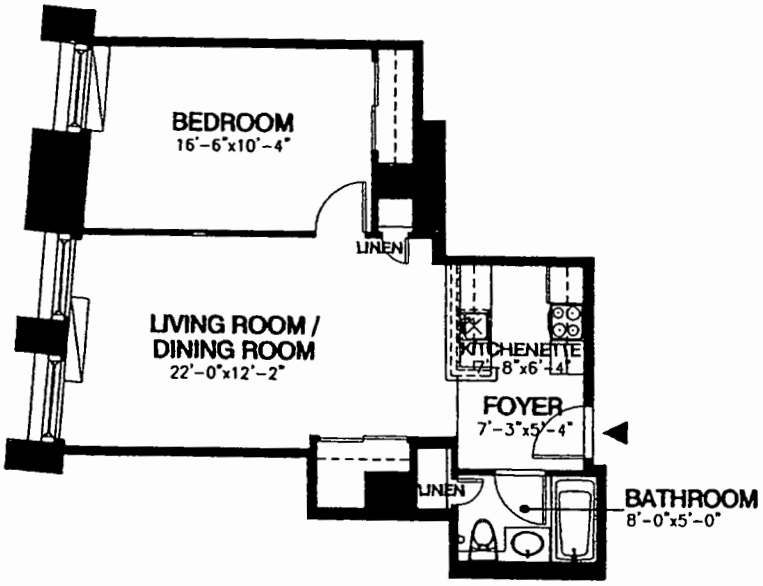
VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

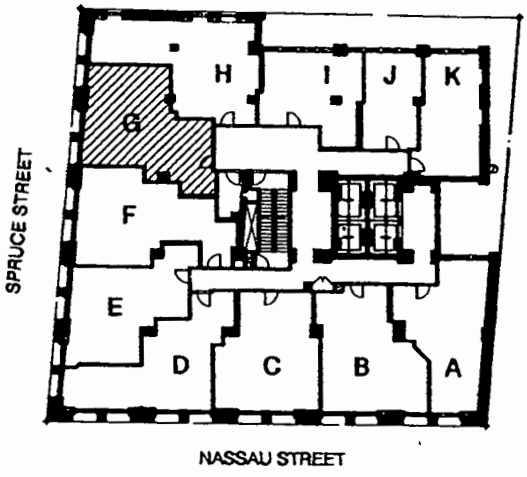
4G
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
4G	694 SQ.FT.

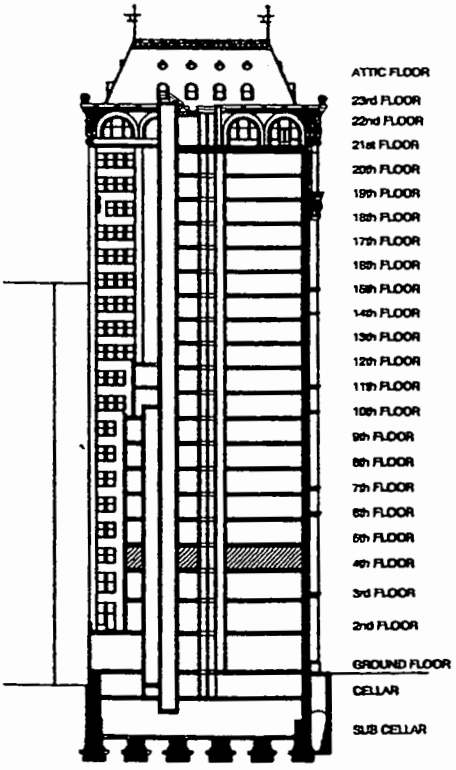


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

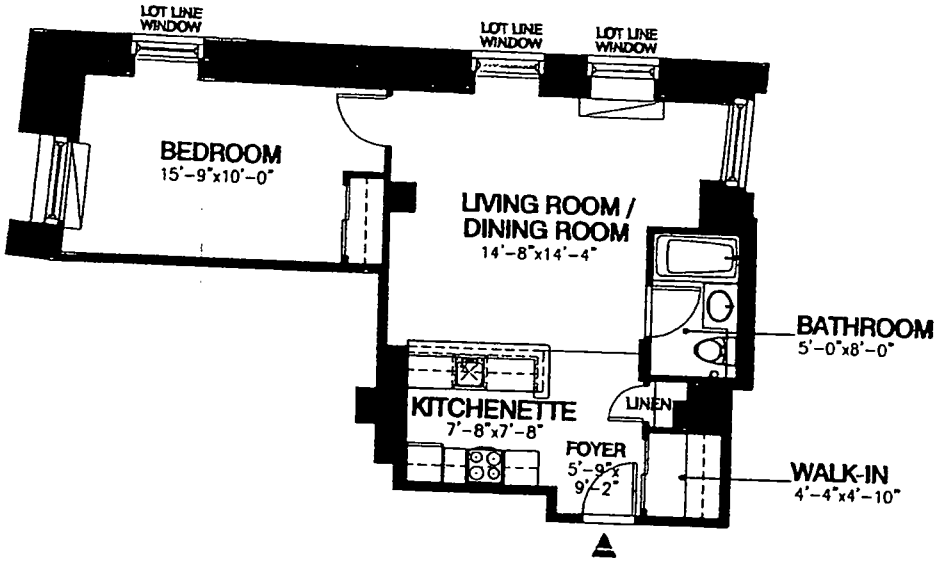


VERTICAL SECTION

2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

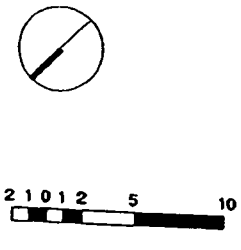


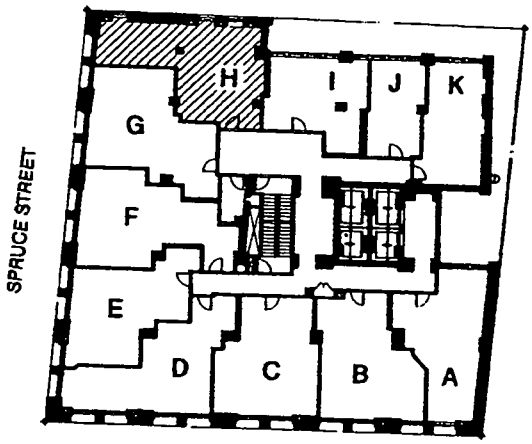
4H
1 BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
4H	766 SQ.FT.

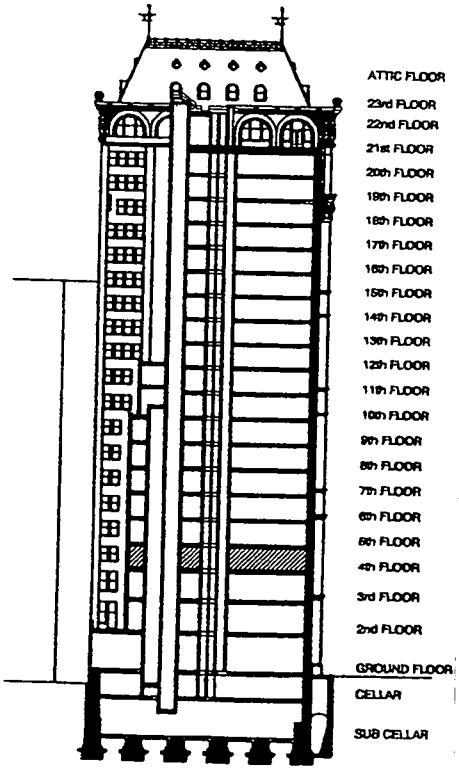
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN



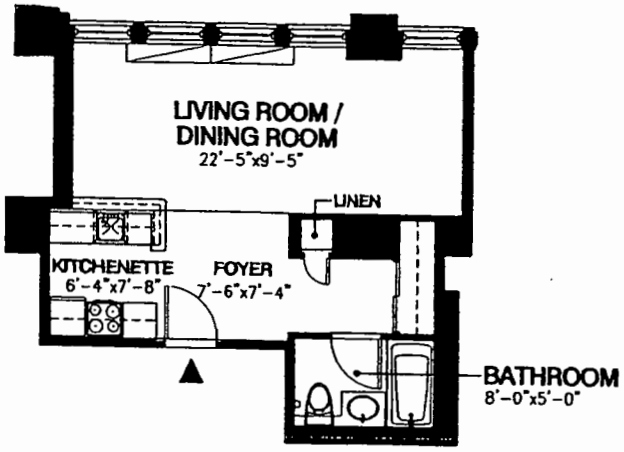
VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

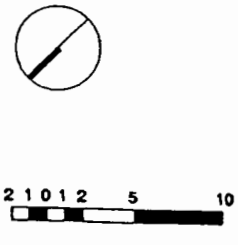
41
STUDIO
1 BATH

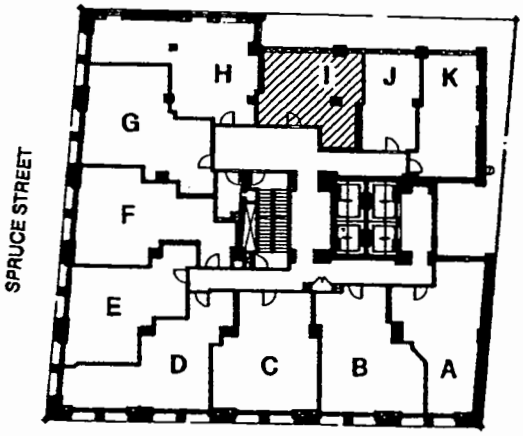
FLOOR NUMBER	APARTMENT AREA
41	481 SQ.FT.



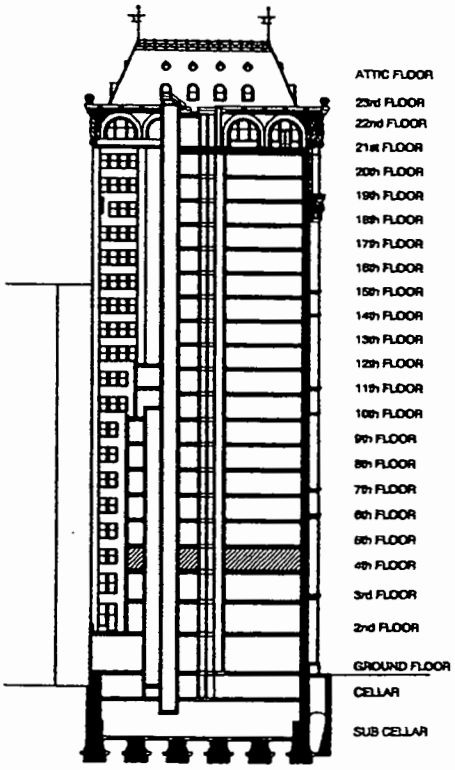
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN

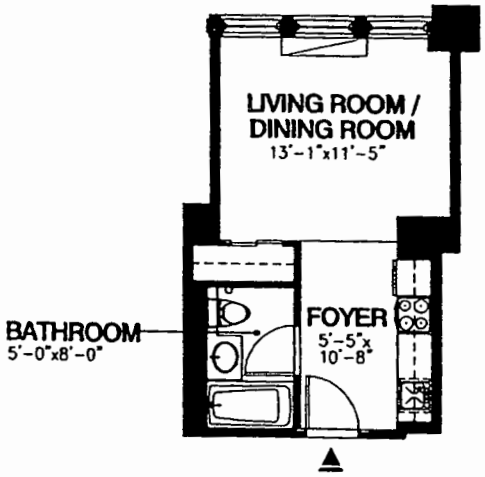


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

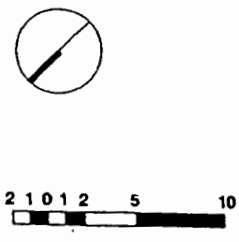
4J
STUDIO
1 BATH

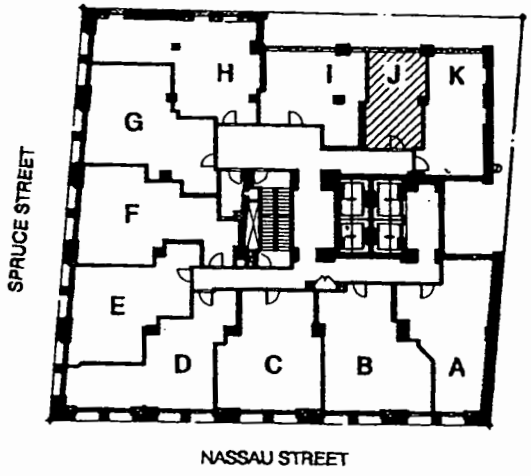


FLOOR NUMBER	APARTMENT AREA
4J	322 SQ.FT.

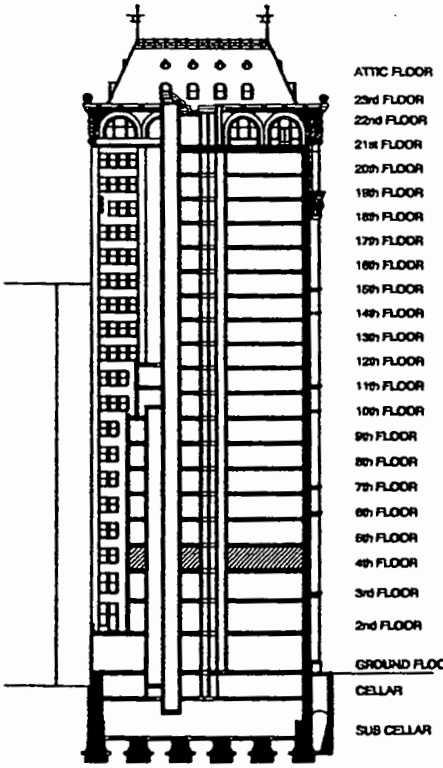
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN

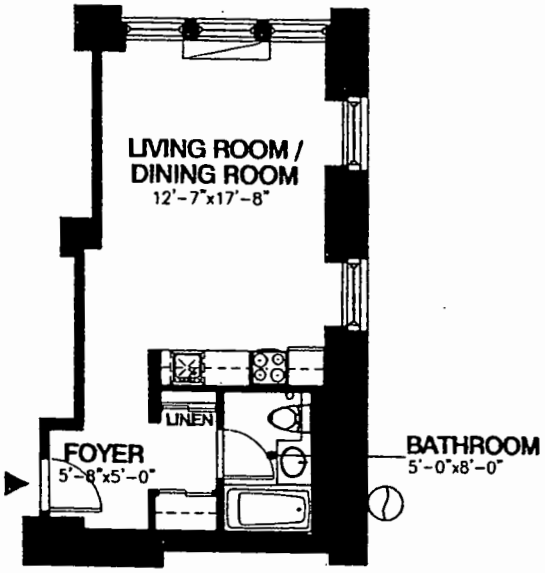


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

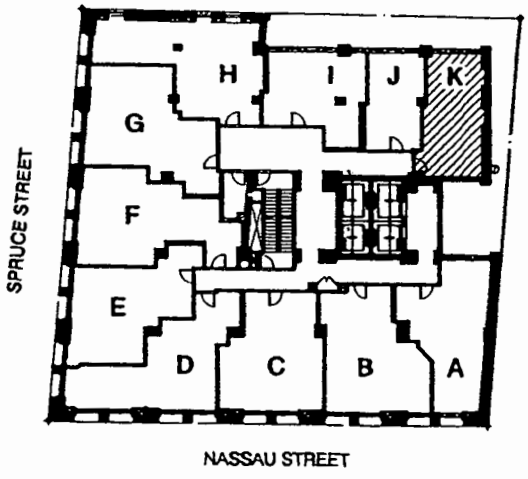
4K
STUDIO
1 BATH



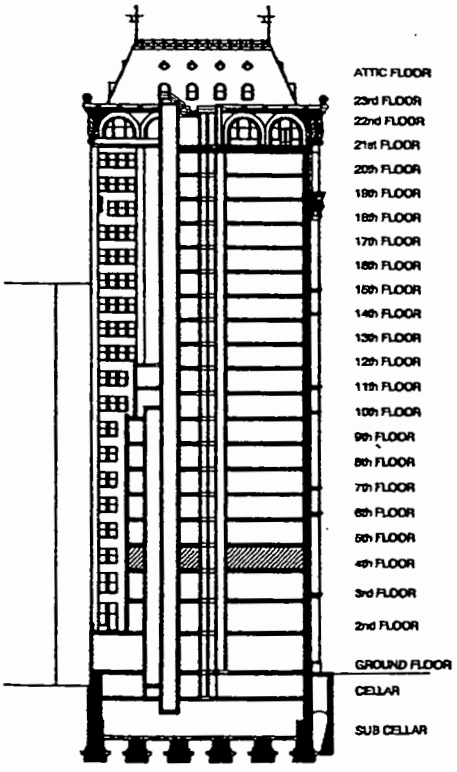
FLOOR NUMBER	APARTMENT AREA
4K	496 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

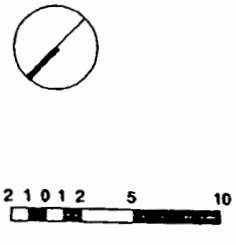
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

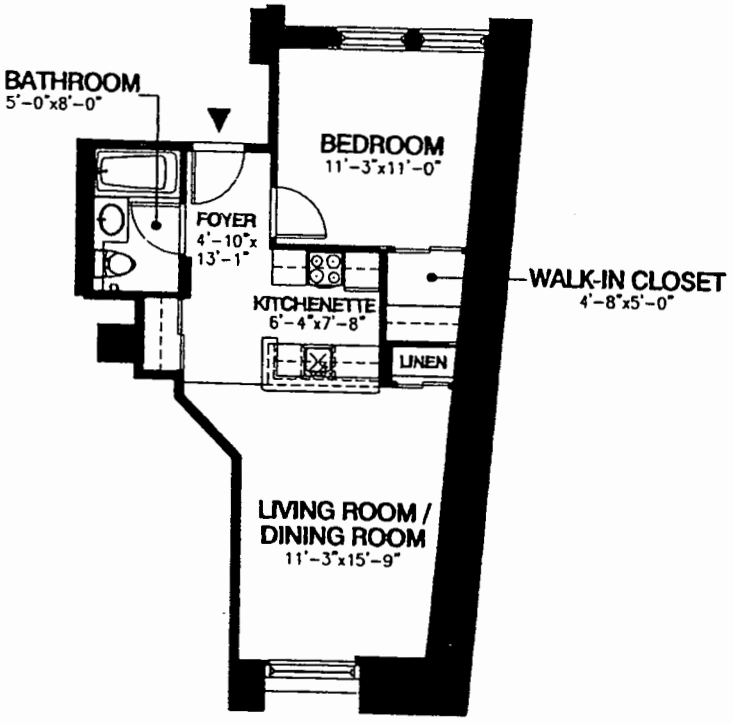


AT CITY HALL PARK

150 NASSAU

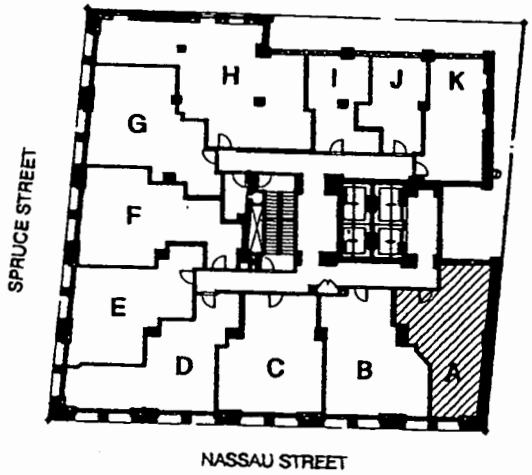
5A
1 BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
5A	670 SQ.FT.

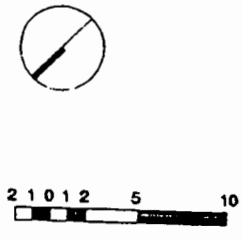


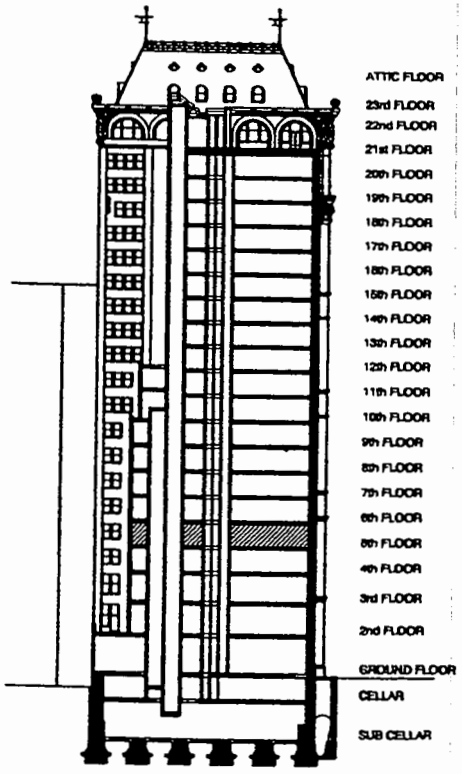
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN





VERTICAL SECTION

AT CITY HALL PARK

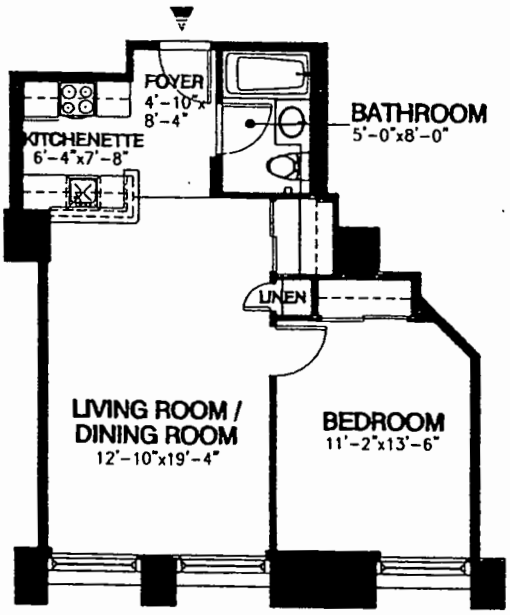
150 NASSAU

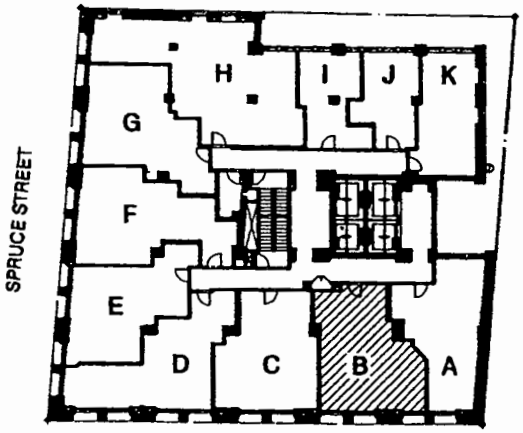
5B
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
5B	662 SQ.FT.

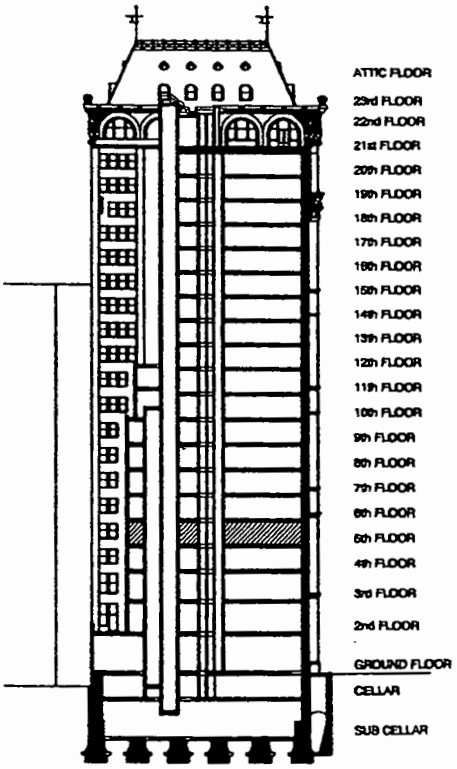
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.

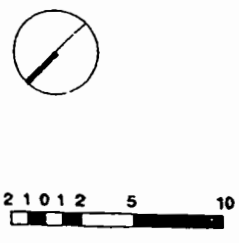




KEY PLAN



VERTICAL SECTION

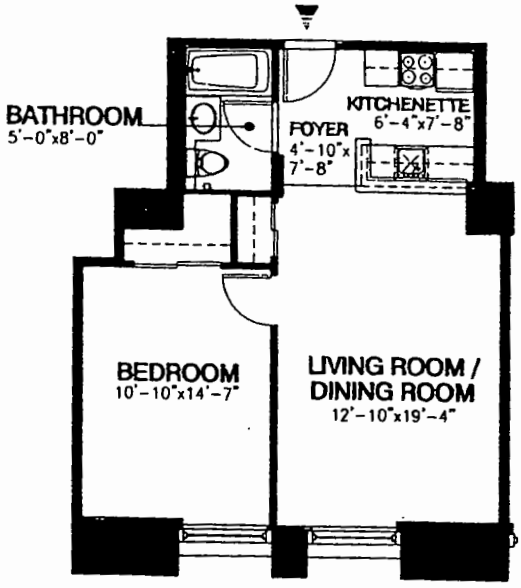


AT CITY HALL PARK

150 NASSAU

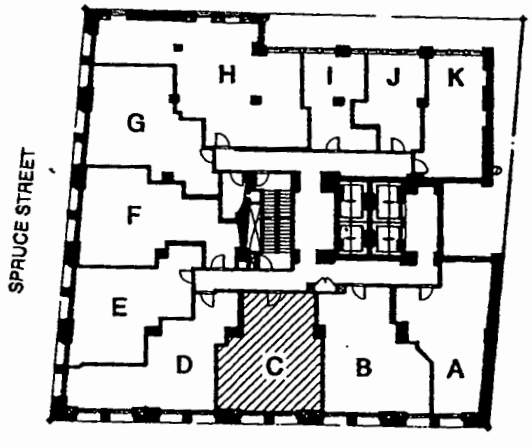
5C
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
5C	650 SQ.FT.

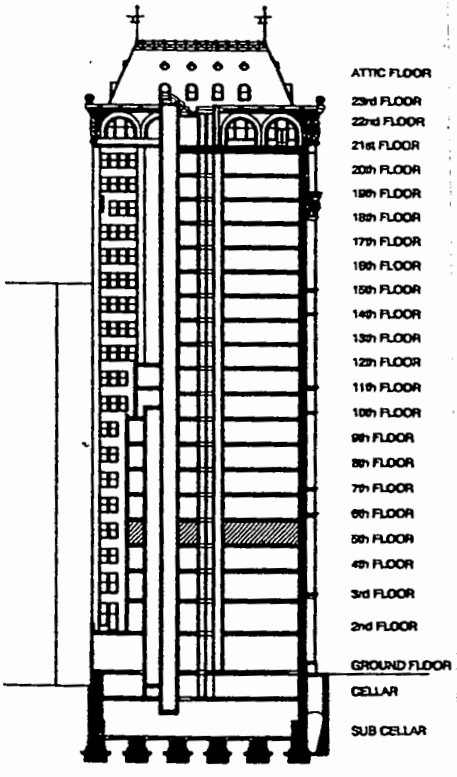


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

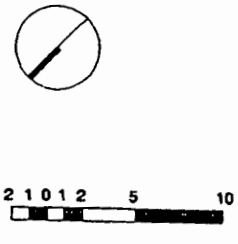
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



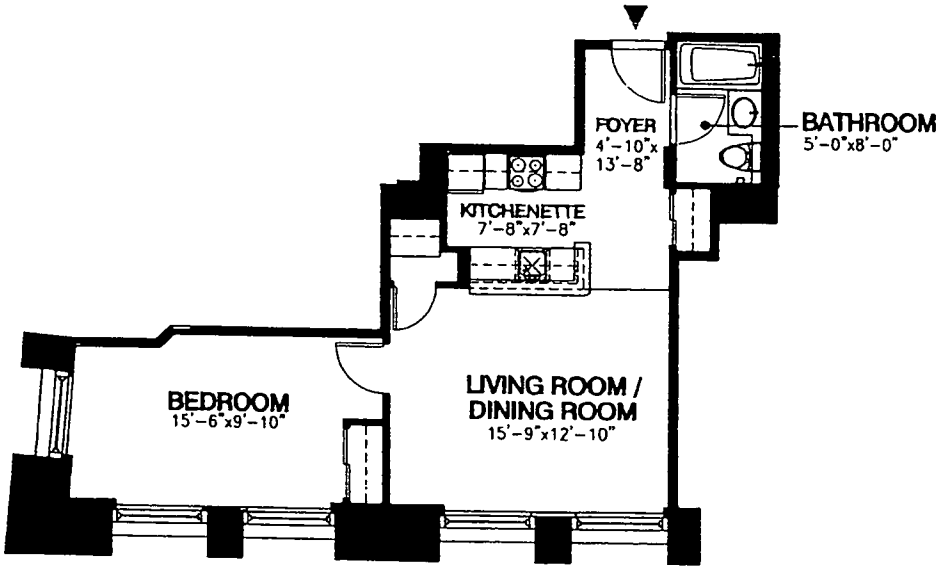
VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

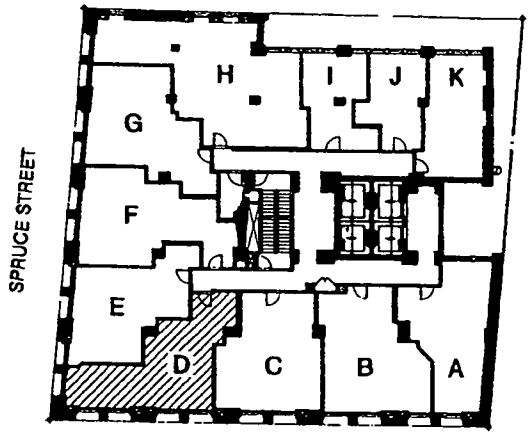
5D
1BEDROOM
1 BATH



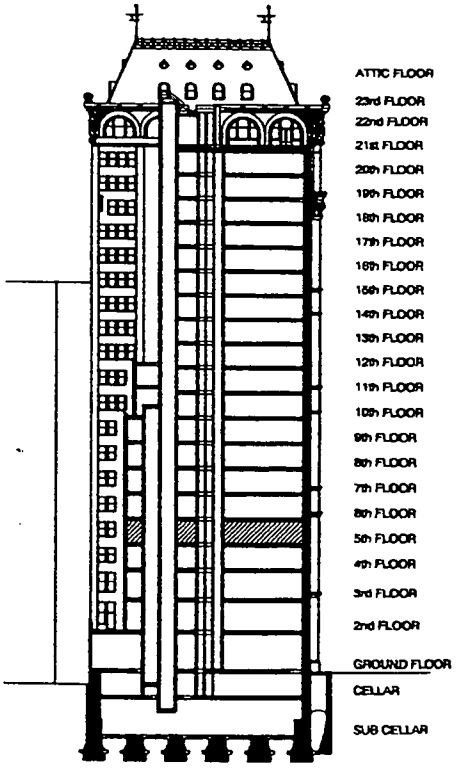
FLOOR NUMBER	APARTMENT AREA
5D	692 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

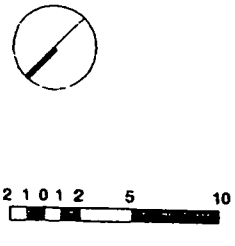
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

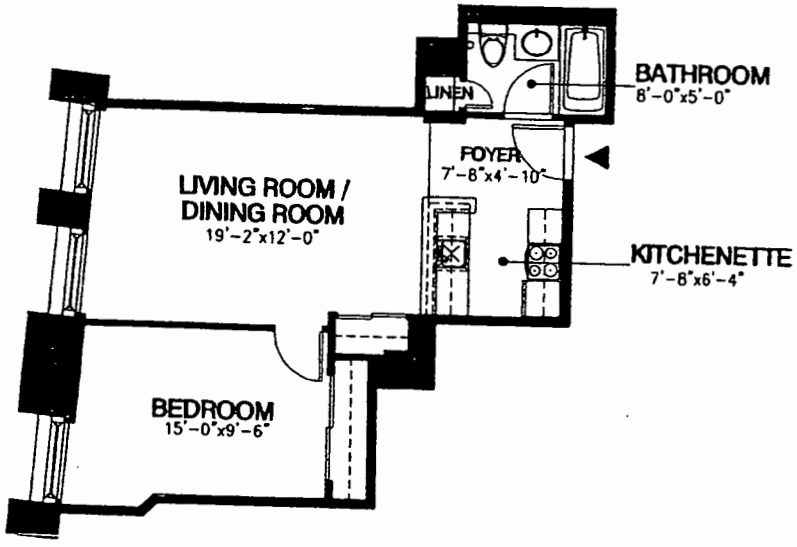


AT CITY HALL PARK

150 NASSAU

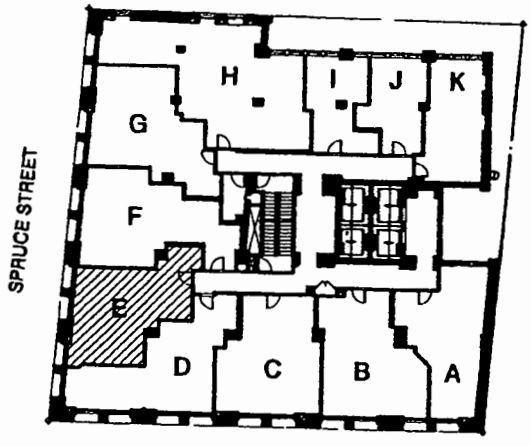
5E
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
5E	609 SQ.FT.

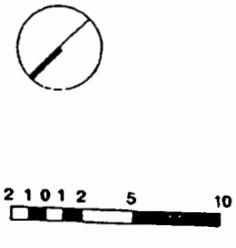


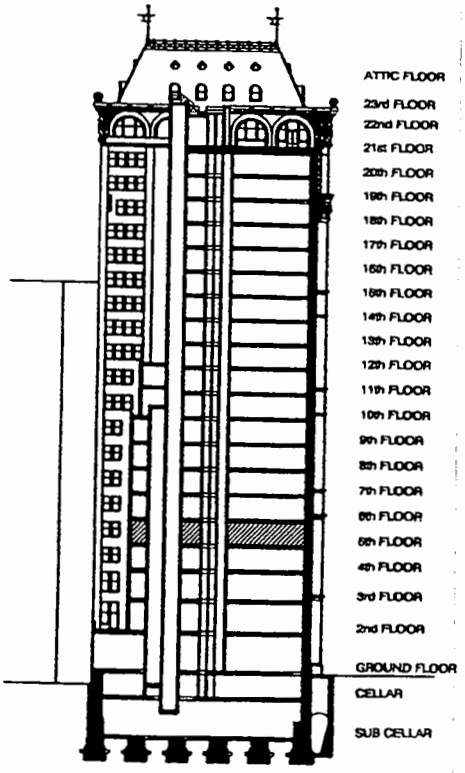
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



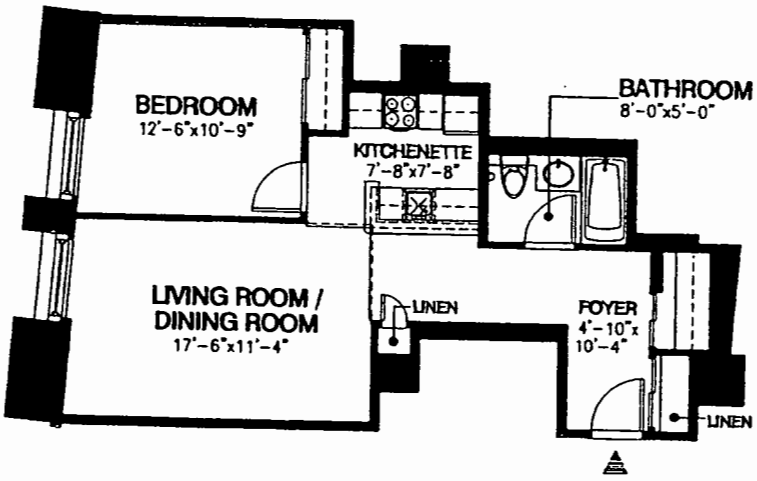


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

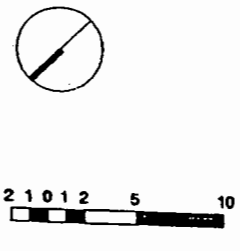
5F
1 BEDROOM
1 BATH

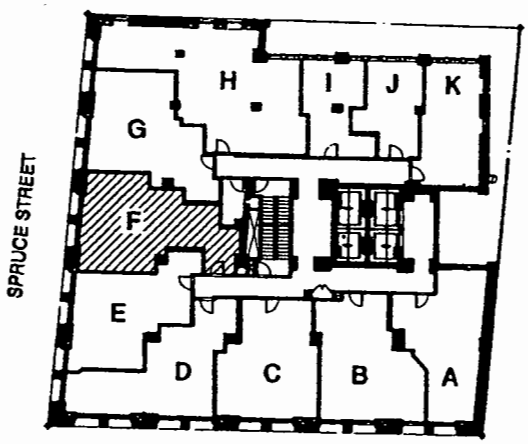


FLOOR NUMBER	APARTMENT AREA
5F	698 SQ.FT.

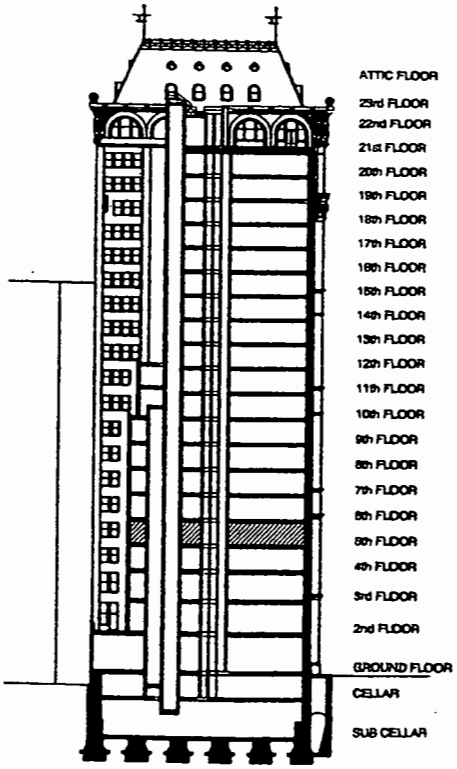
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN



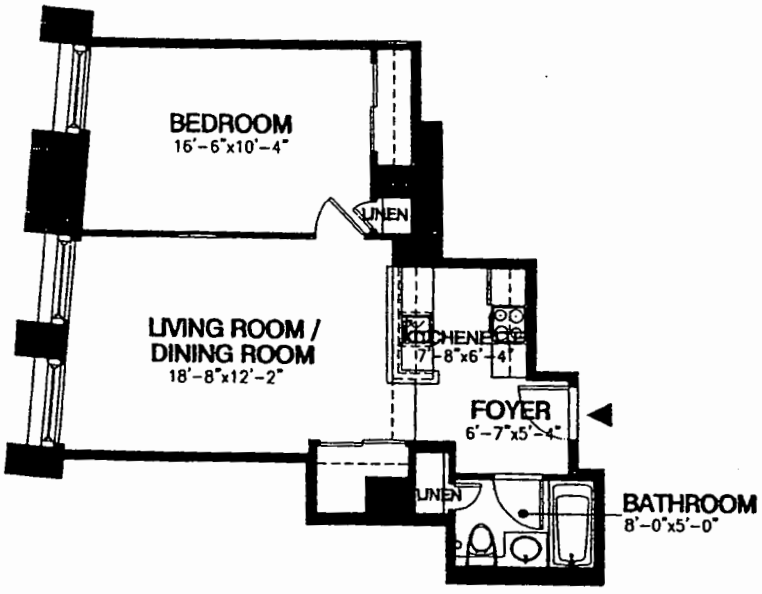
VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

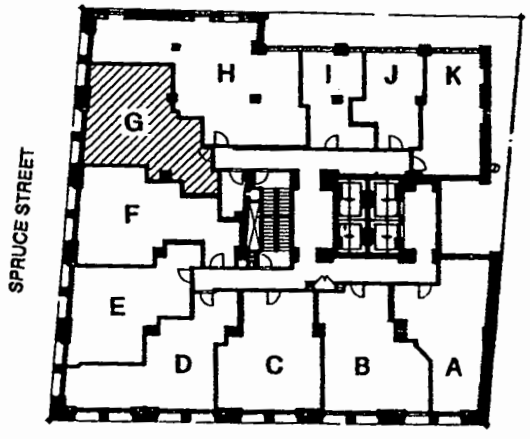
5G
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
5G	670 SQ.FT.

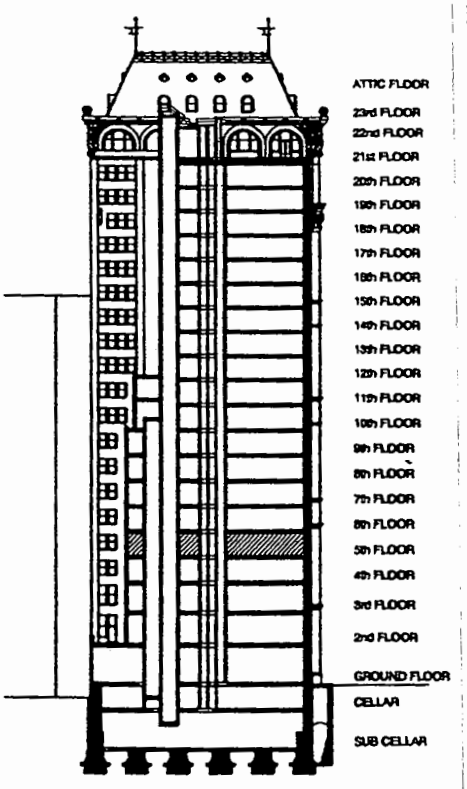


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

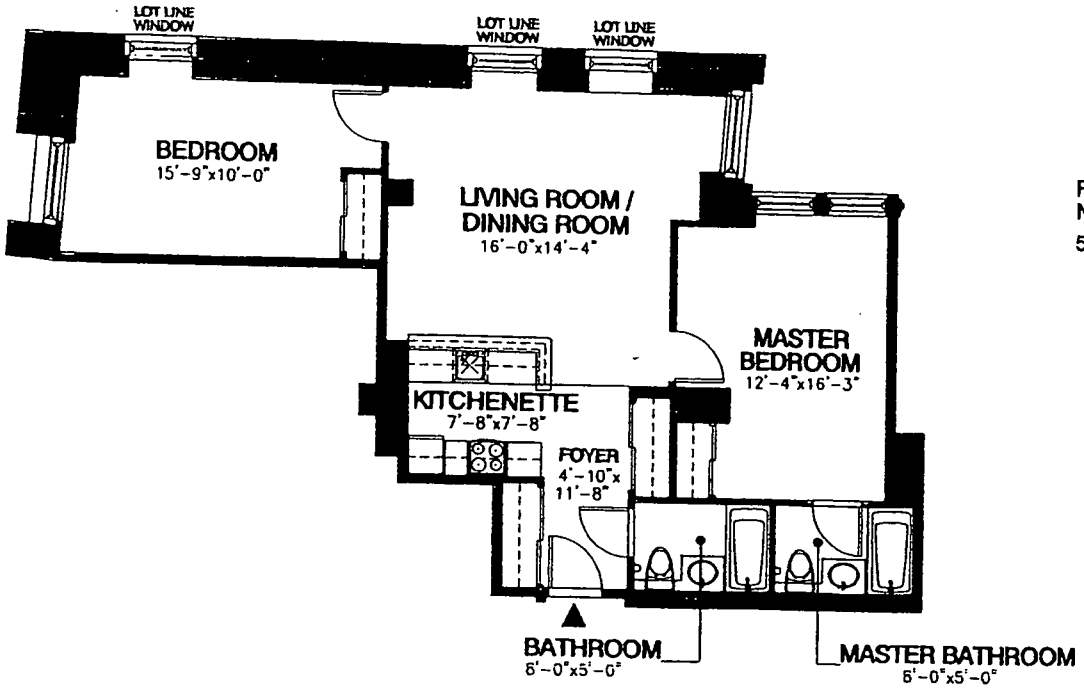


VERTICAL SECTION

2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

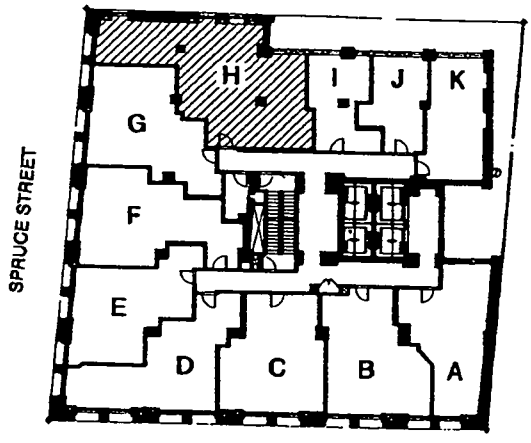


5H
2 BEDROOMS 2 BATHS

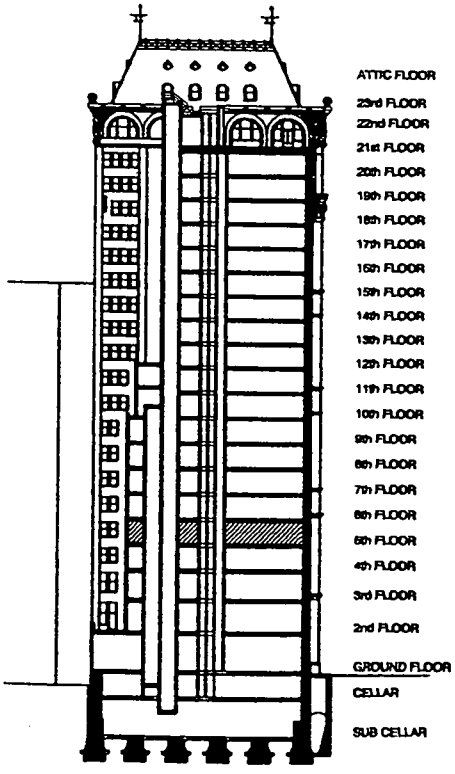
FLOOR NUMBER	APARTMENT AREA
5H	1,071 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

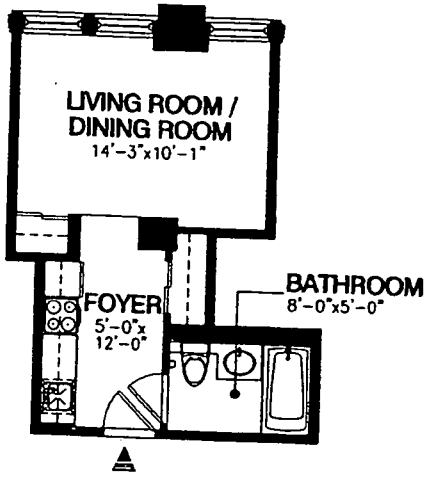
2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

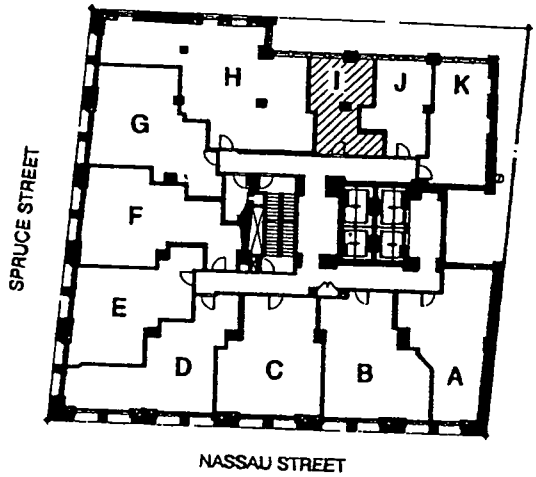
51
STUDIO
1 BATH

FLOOR NUMBER	APARTMENT AREA
51	332 SQ.FT.

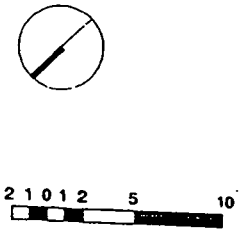


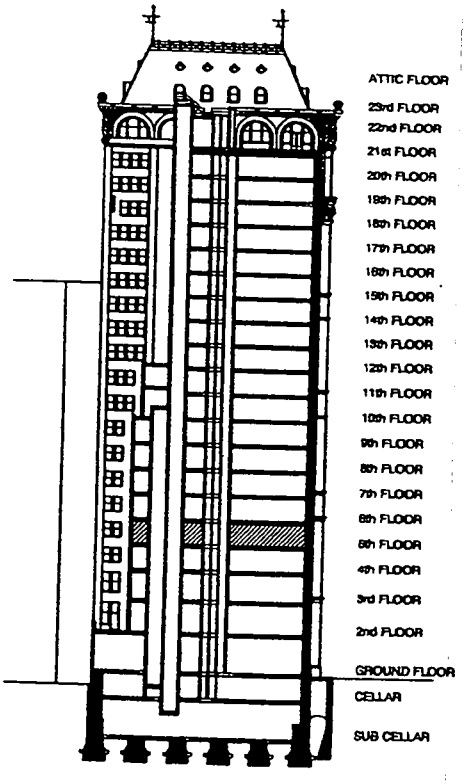
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN





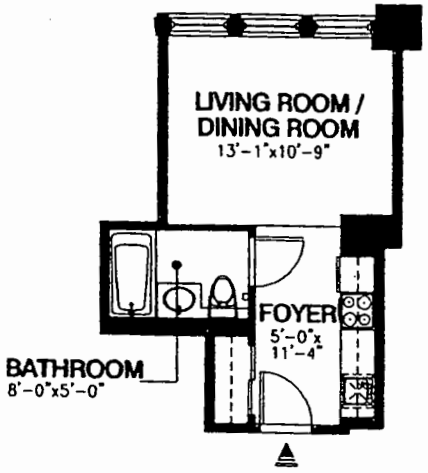
VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

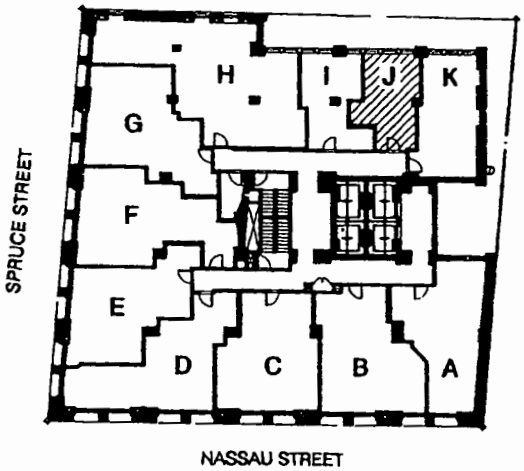
5J
STUDIO
1 BATH

FLOOR NUMBER	APARTMENT AREA
5J	311 SQ.FT.

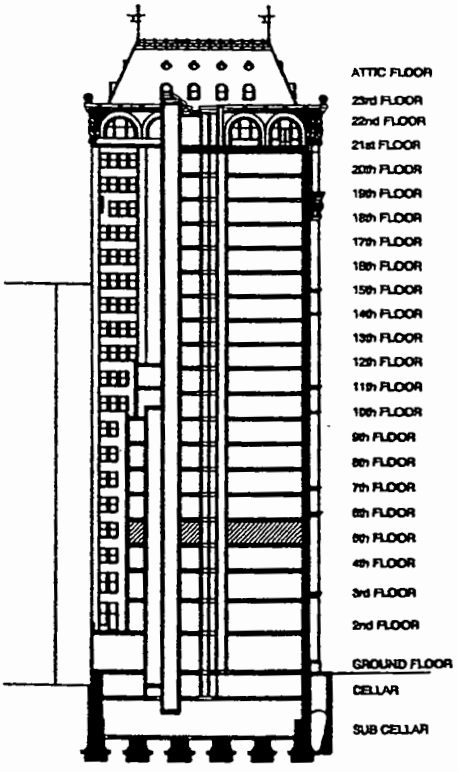


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

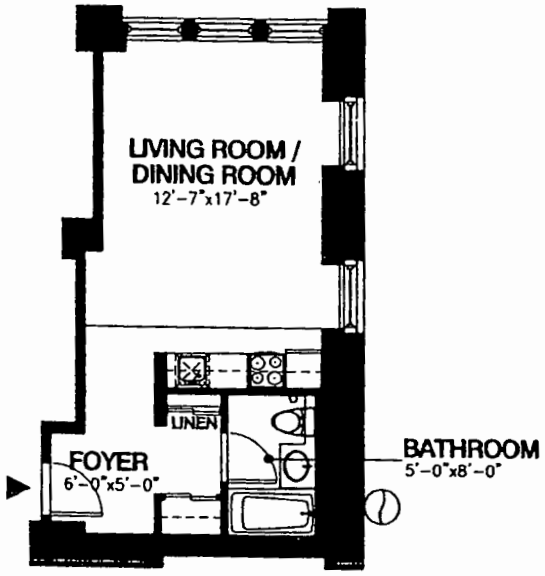
2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

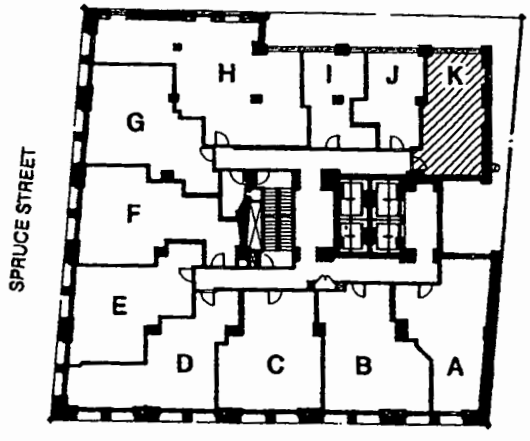
5K
STUDIO
1 BATH

FLOOR NUMBER	APARTMENT AREA
5K	496 SQ.FT.

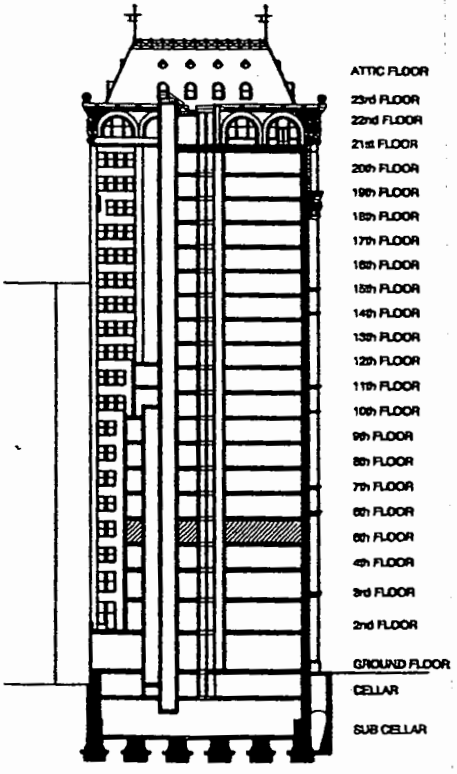


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

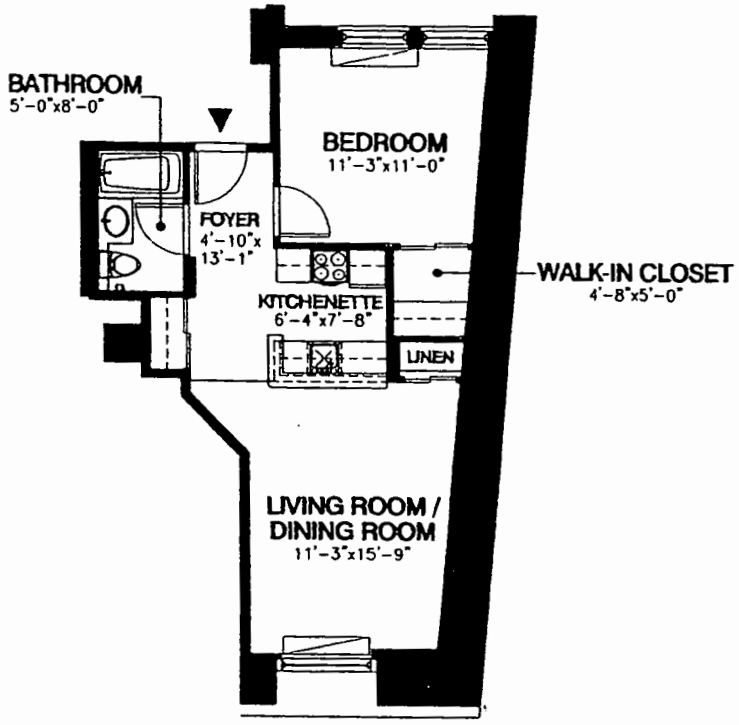
2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

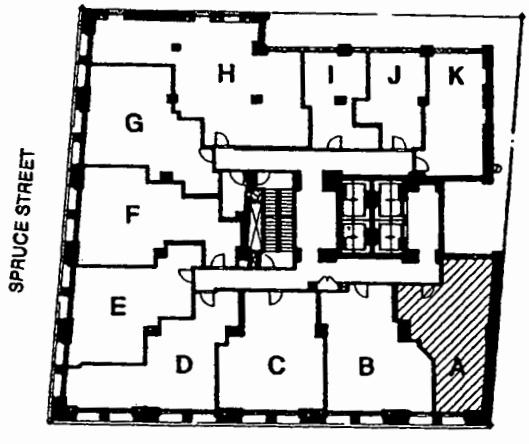
6A
1 BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
6A	670 SQ.FT.

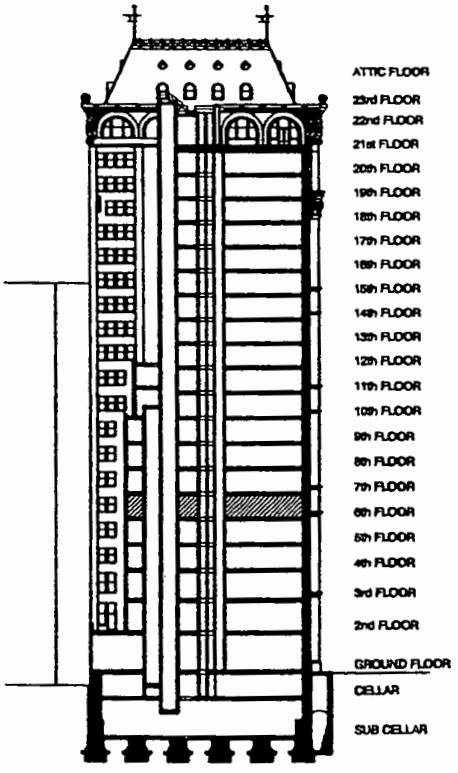


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

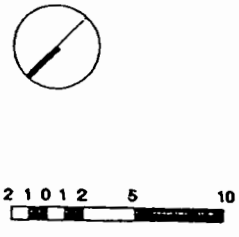
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

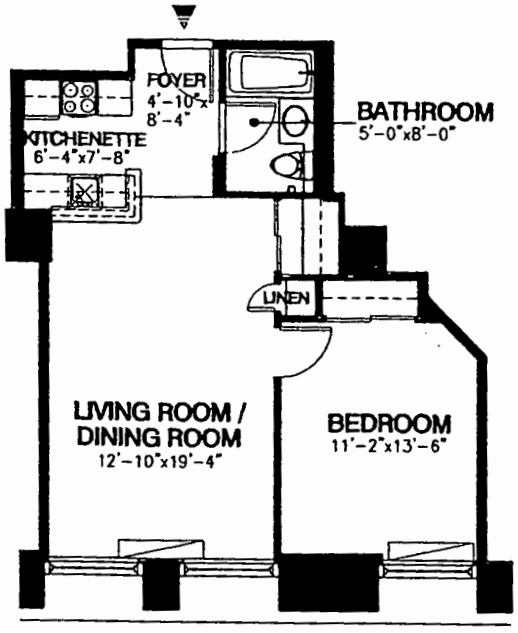


AT CITY HALL PARK

150 NASSAU

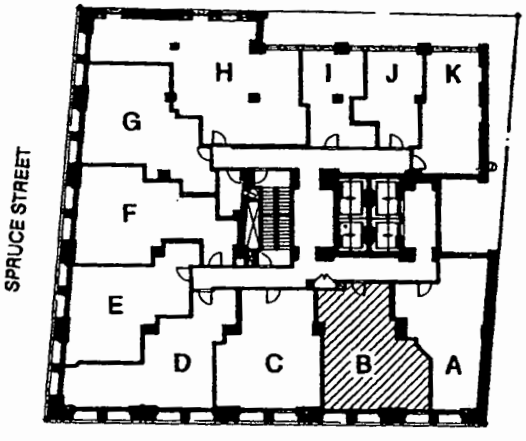
6B
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
6B	660 SQ.FT.

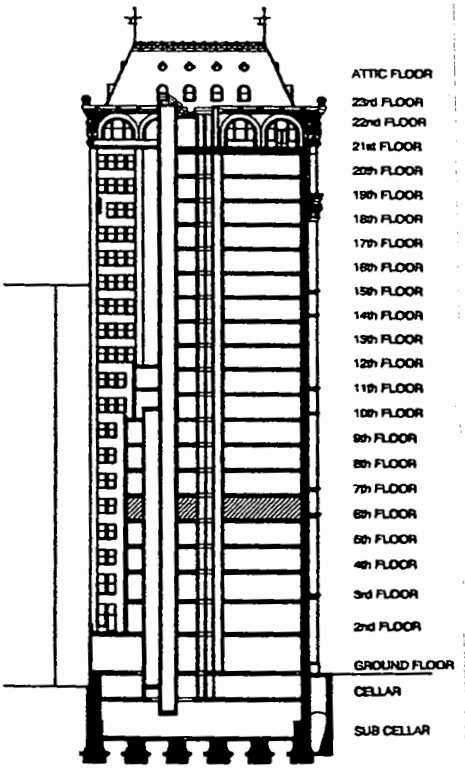


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

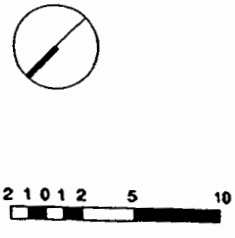
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



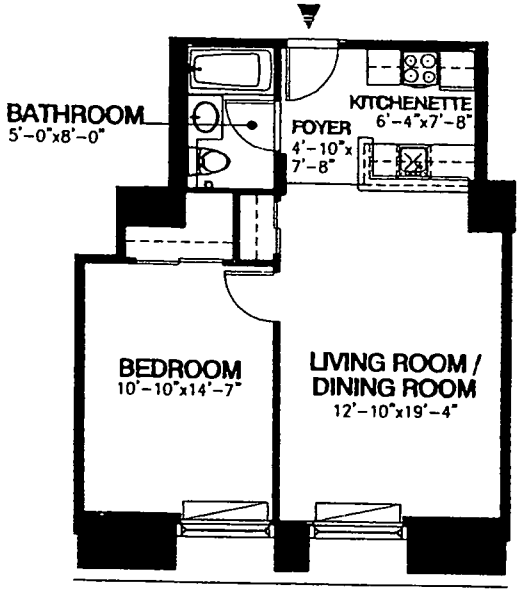
VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

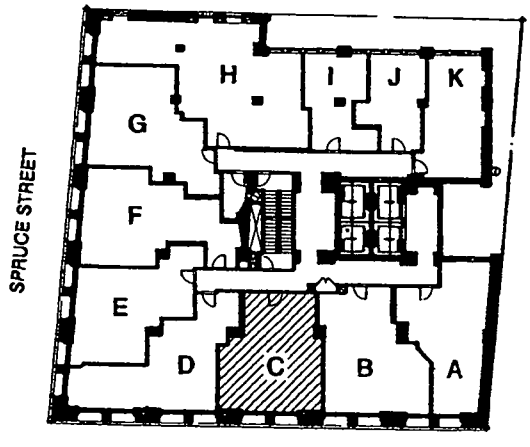
6C
1BEDROOM
1 BATH



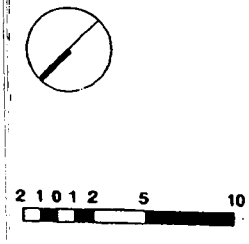
FLOOR NUMBER	APARTMENT AREA
6C	649 SQ.FT.

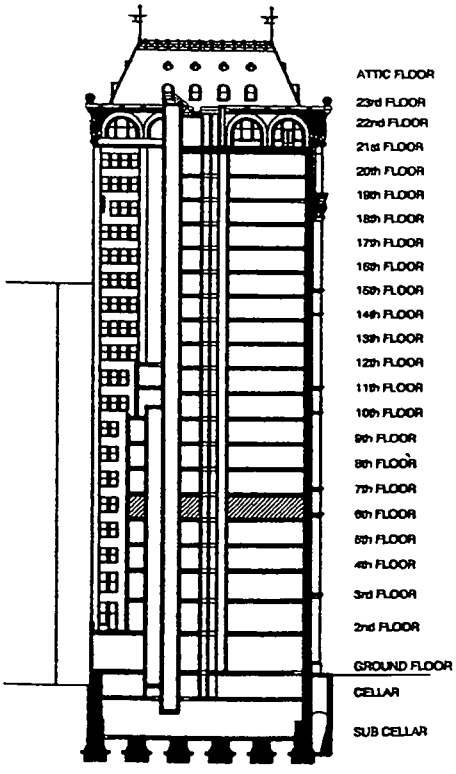
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN





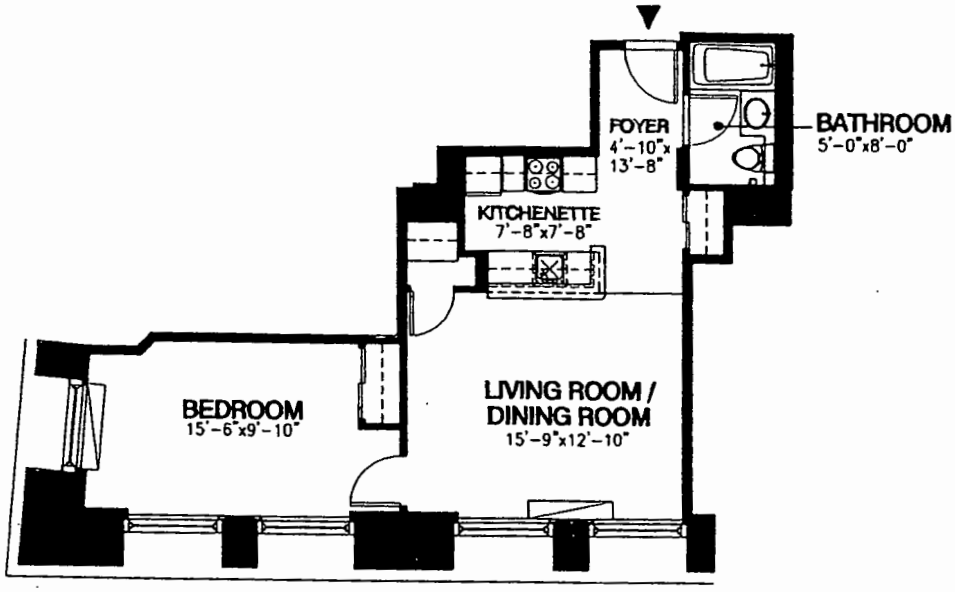
VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

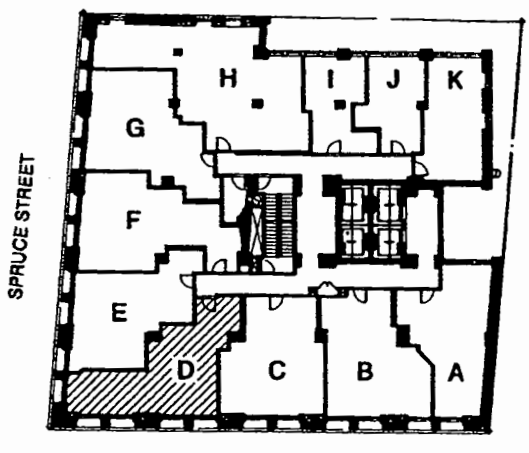
6D
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
6D	689 SQ.FT.

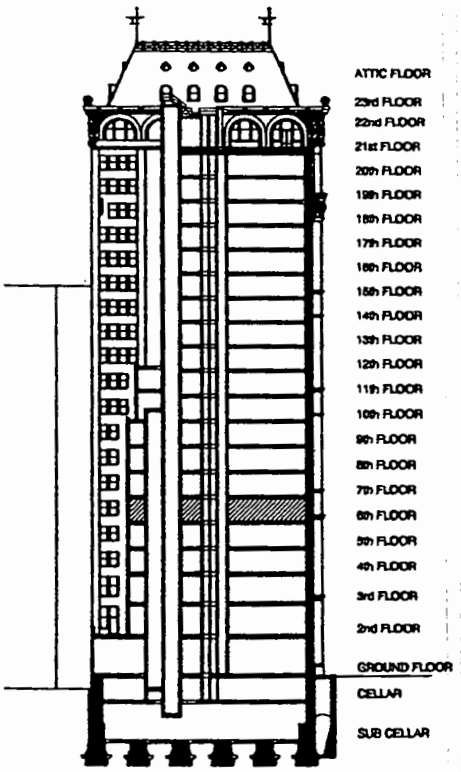


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

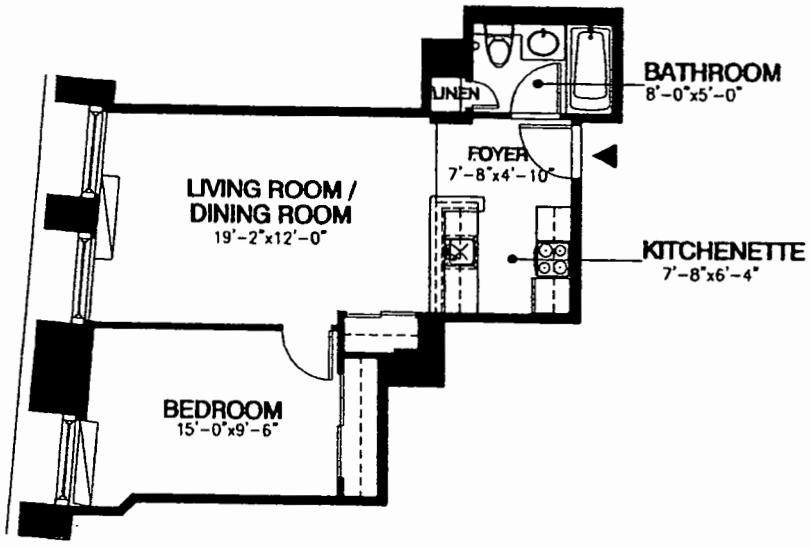
2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

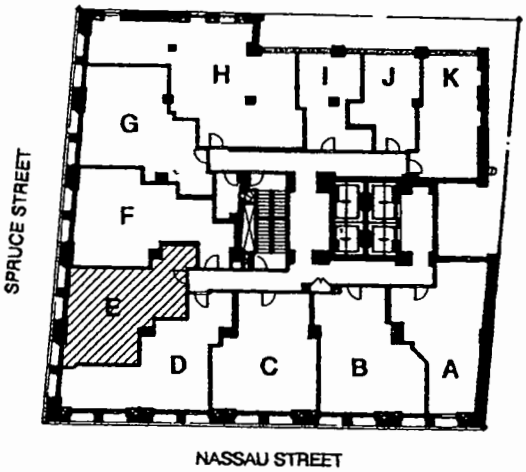
6E
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
6E	608 SQ.FT.

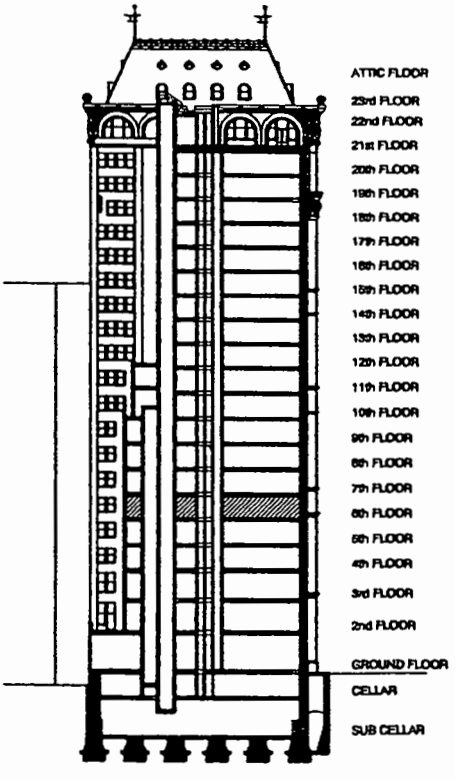


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

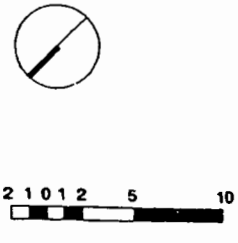
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



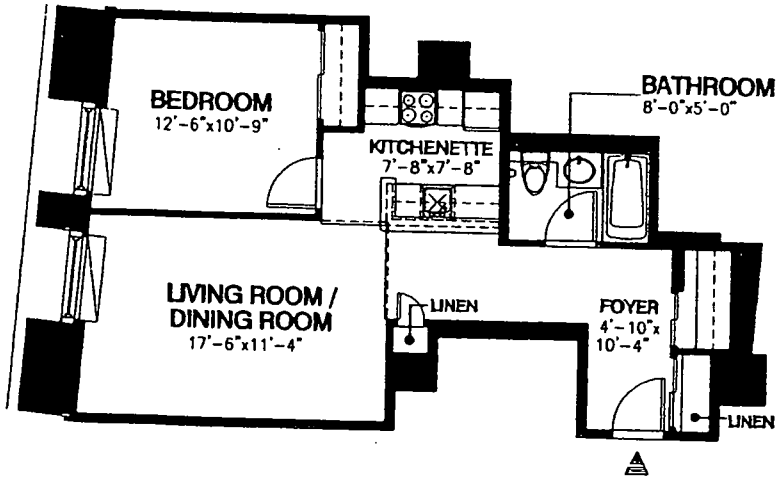
VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

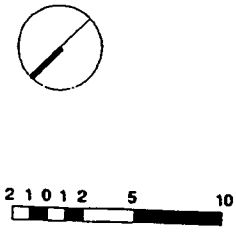
6F
1 BEDROOM
1 BATH

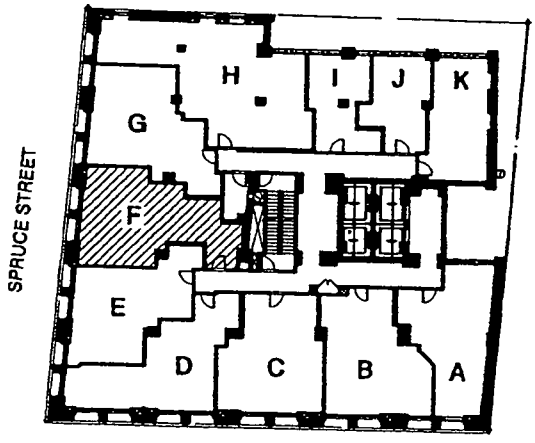


FLOOR NUMBER	APARTMENT AREA
6F	697 SQ.FT.

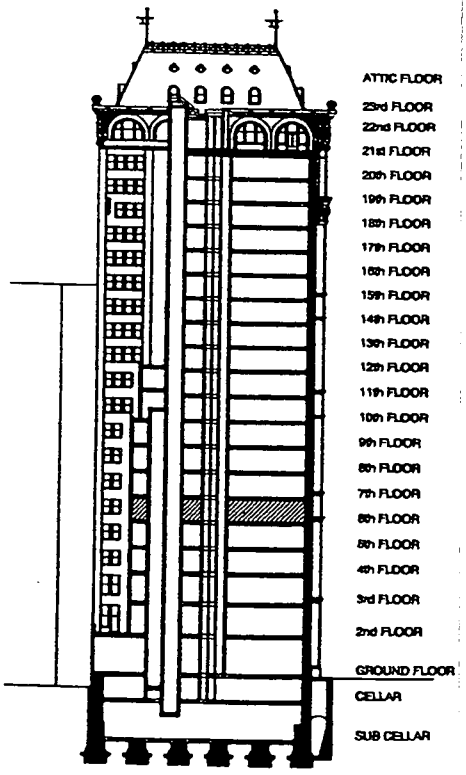
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

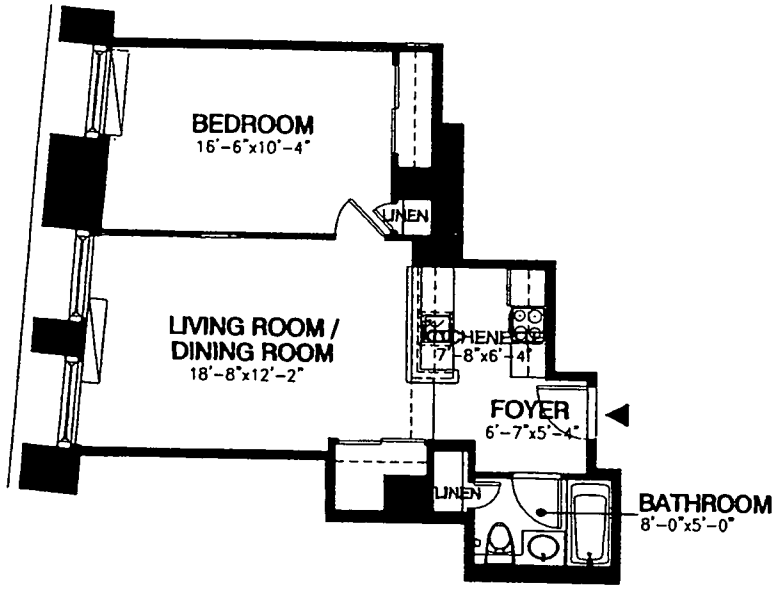
150 NASSAU

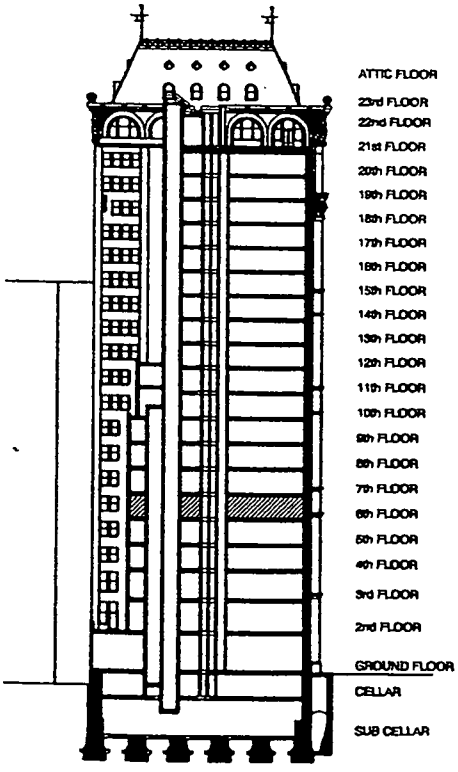
6G
1BEDROOM
1 BATH

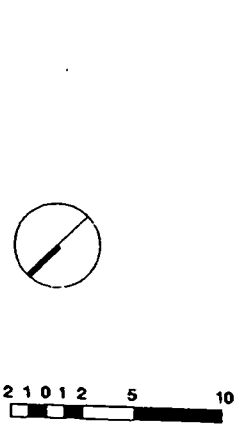
FLOOR NUMBER	APARTMENT AREA
6G	668 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





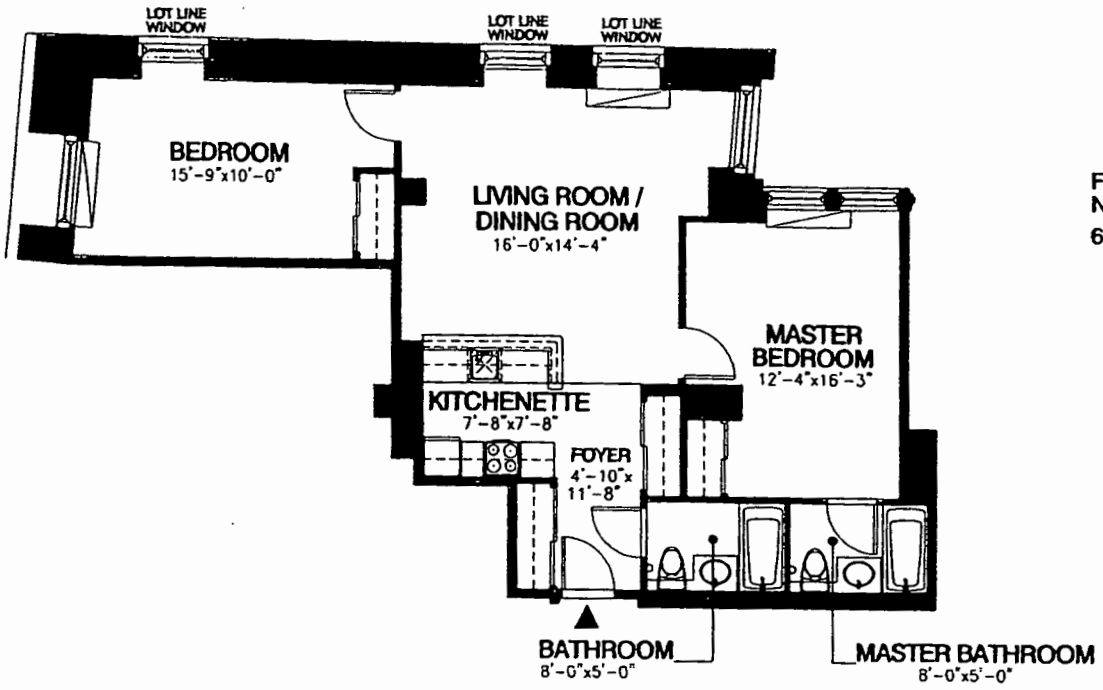


KEY PLAN

VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

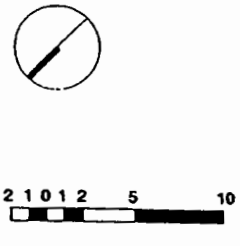


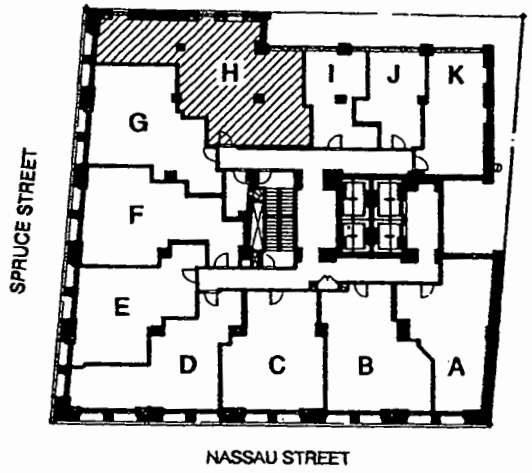
6H
2 BEDROOMS
2 BATHS

FLOOR NUMBER	APARTMENT AREA
6H	1,071 SQ.FT.

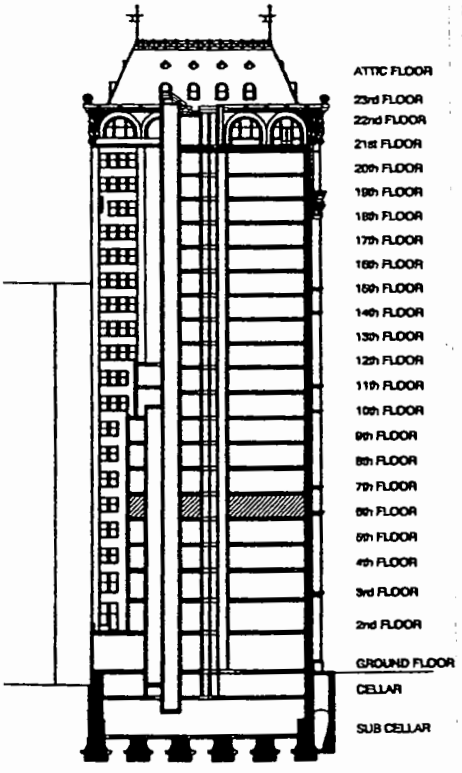
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN



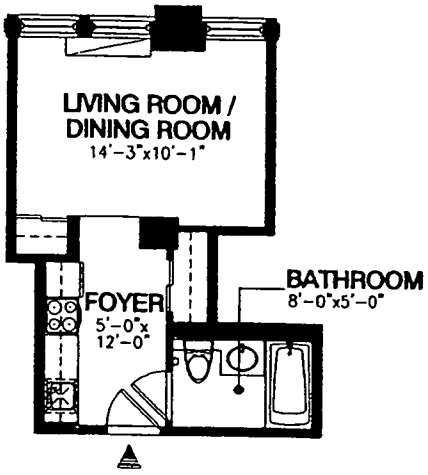
VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

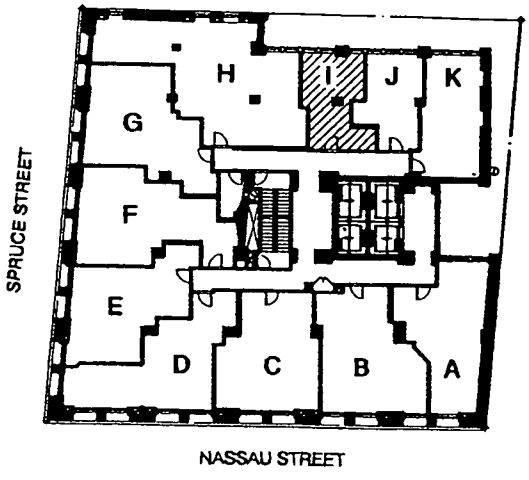
61
STUDIO
1 BATH

FLOOR NUMBER	APARTMENT AREA
61	332 SQ.FT.

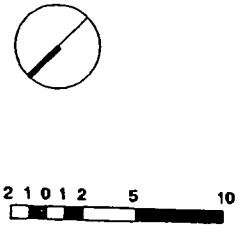


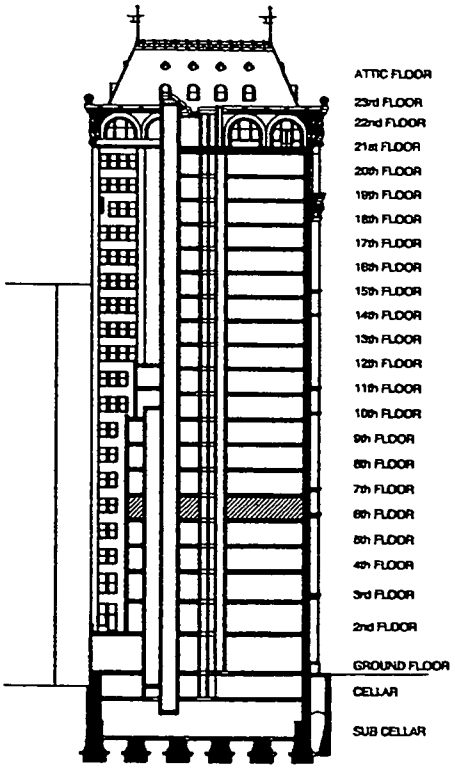
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN





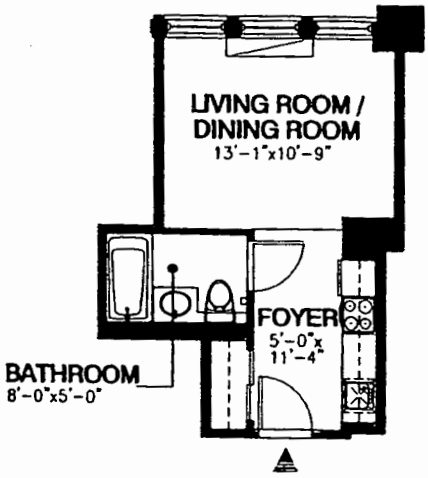
VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

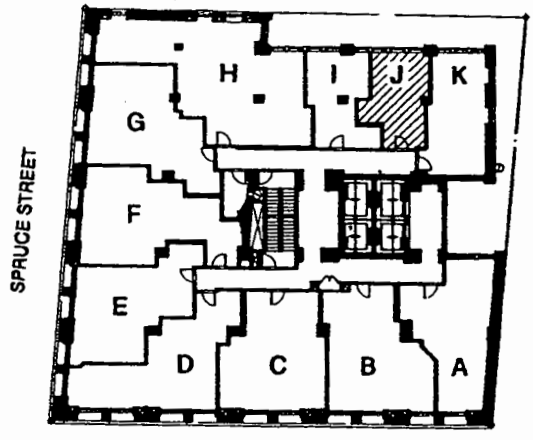
6J
STUDIO
1 BATH

FLOOR NUMBER	APARTMENT AREA
6J	311 SQ.FT.

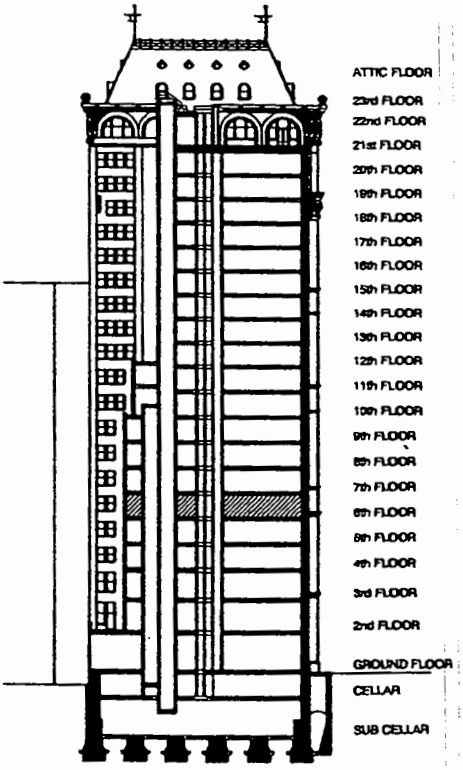


All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

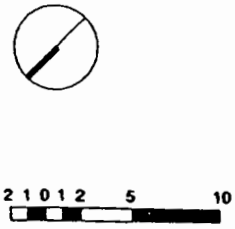
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

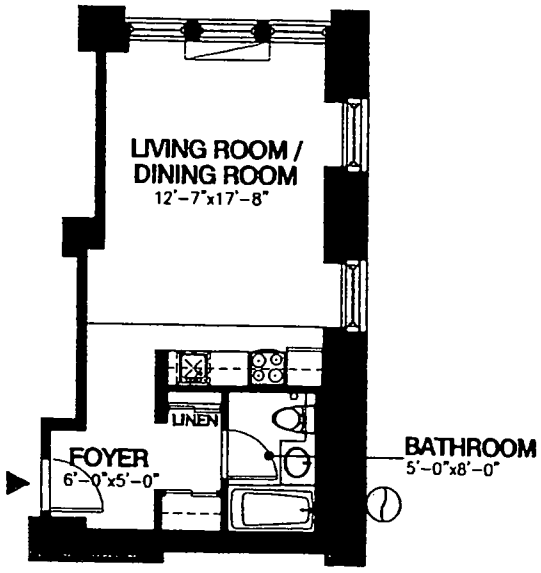


AT CITY HALL PARK

150 NASSAU

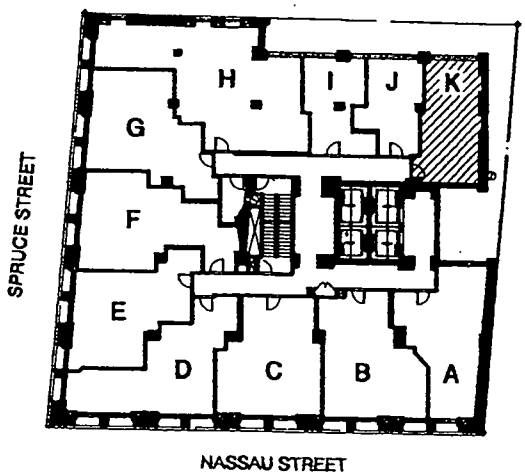
6K
STUDIO
1 BATH

FLOOR NUMBER	APARTMENT AREA
6K	496 SQ.FT.

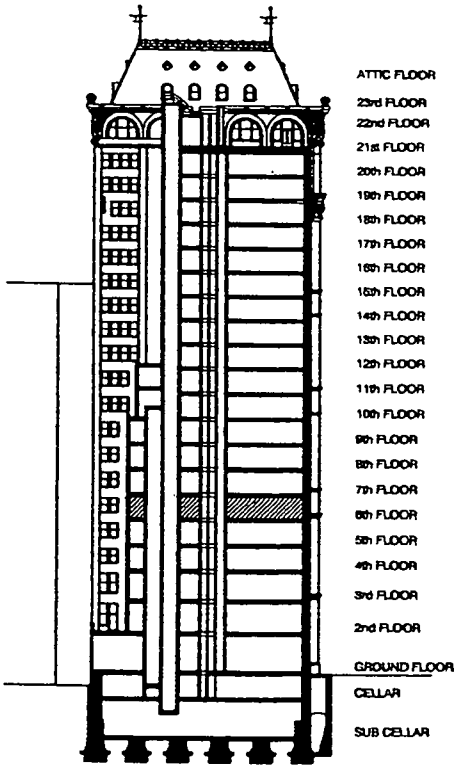


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

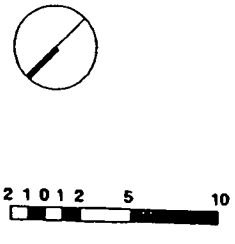
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

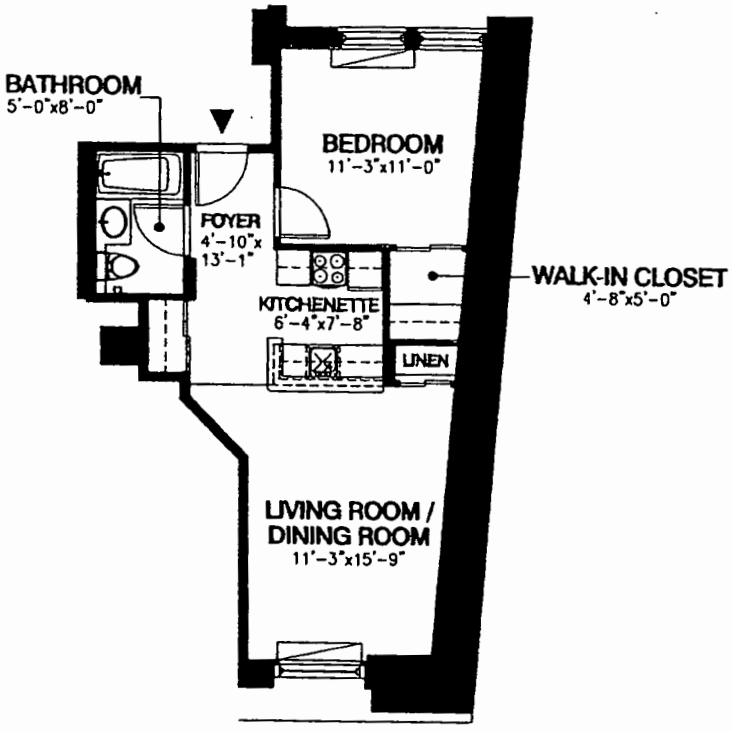


AT CITY HALL PARK

150 NASSAU

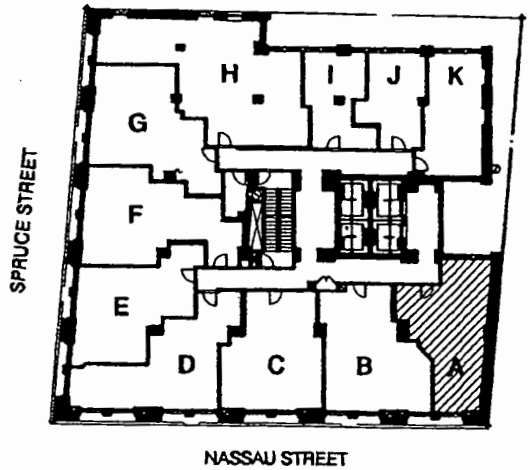
7A
1 BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
7A	668 SQ.FT.

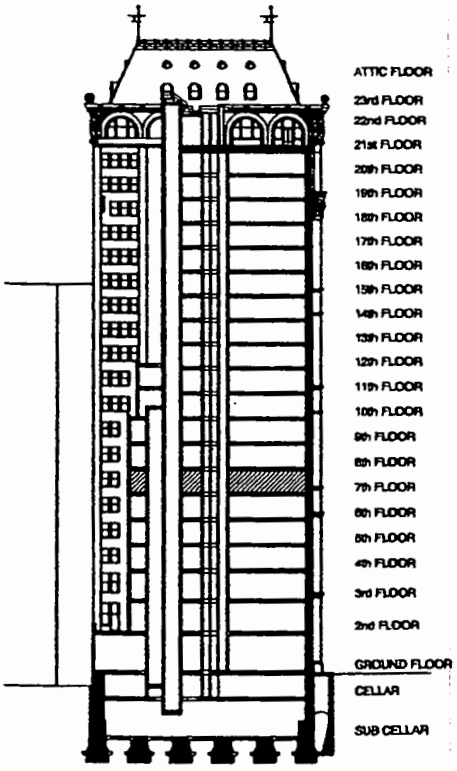


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

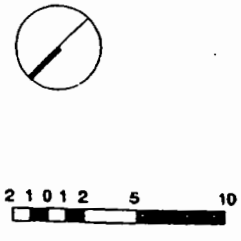
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

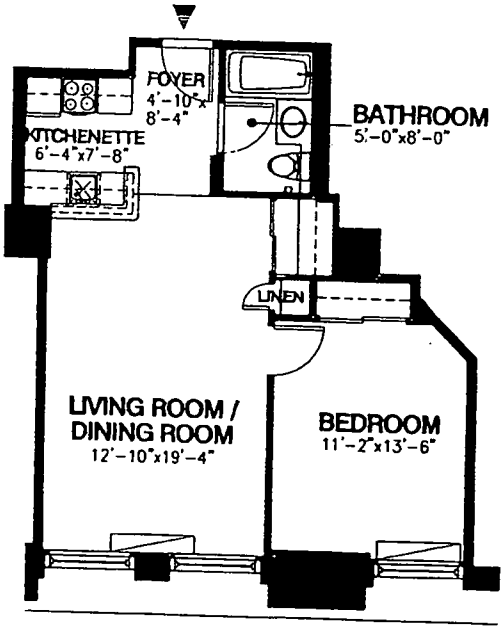


AT CITY HALL PARK

150 NASSAU

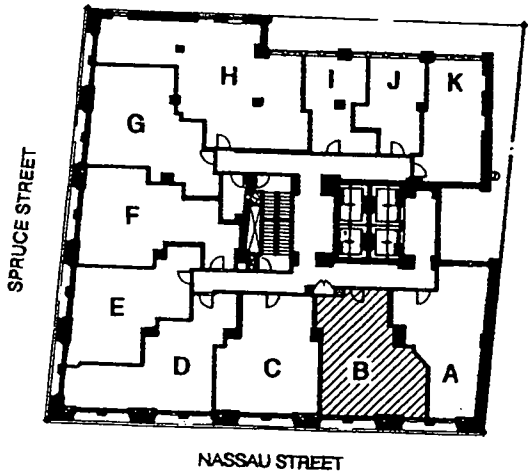
7B
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
7B	657 SQ.FT.

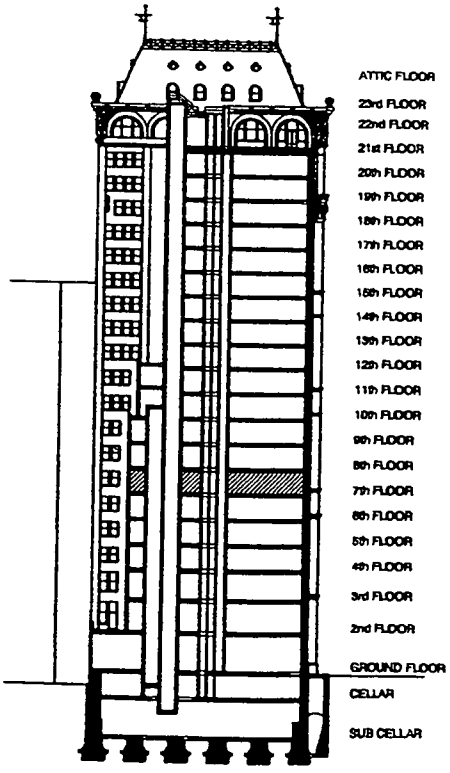


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

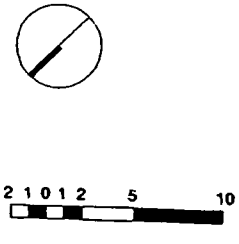
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

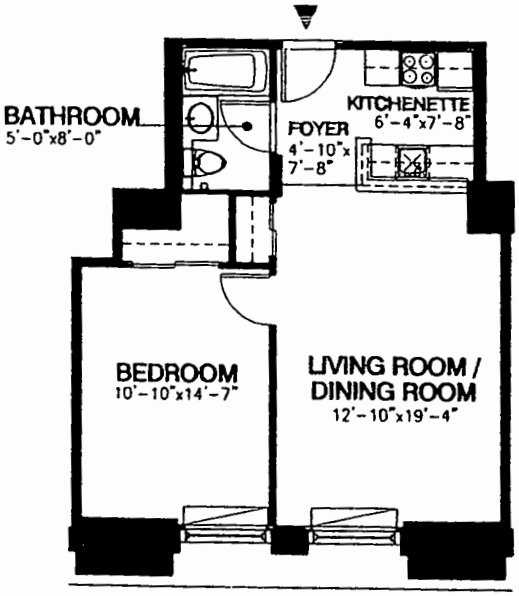


AT CITY HALL PARK

150 NASSAU

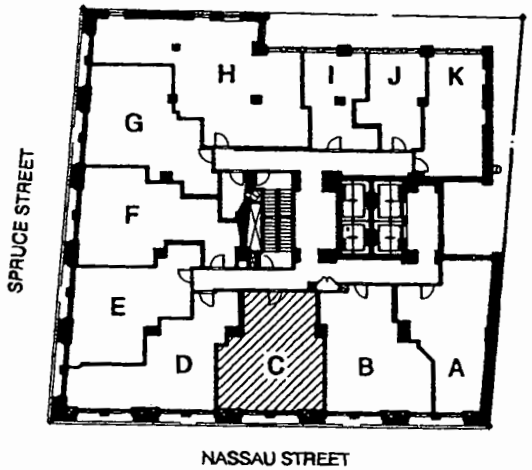
7C
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
7C	647 SQ.FT.

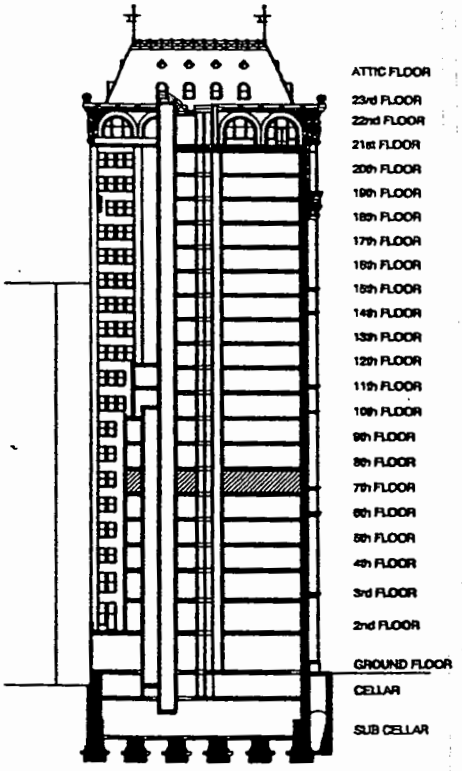


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

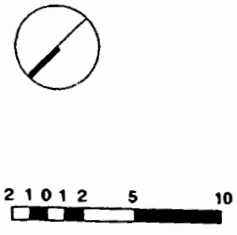
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

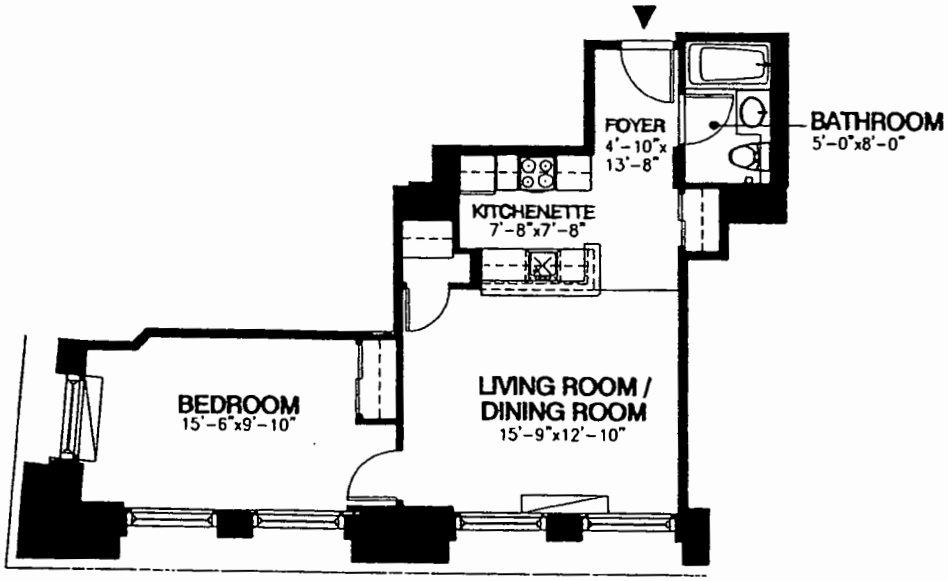


AT CITY HALL PARK

150 NASSAU

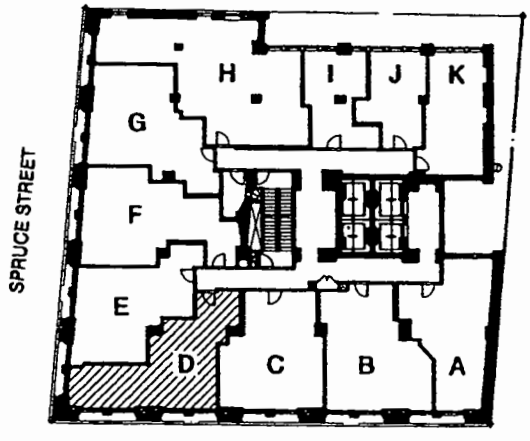
7D
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
7D	683 SQ.FT.

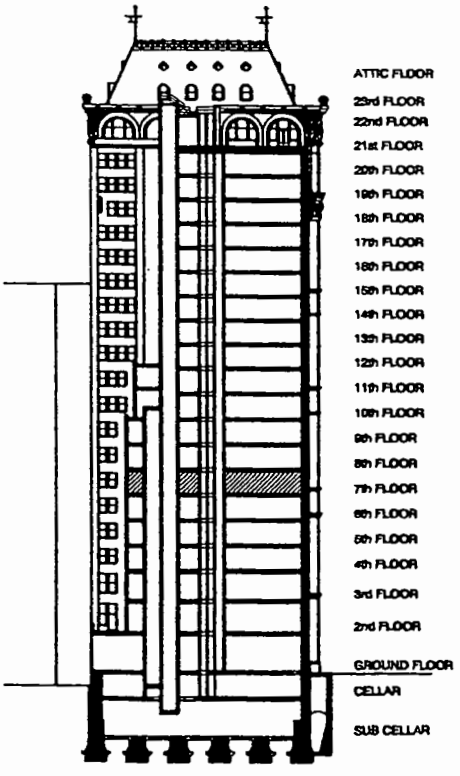


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

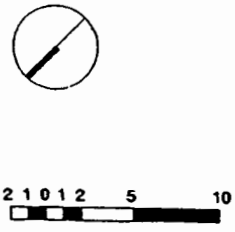
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

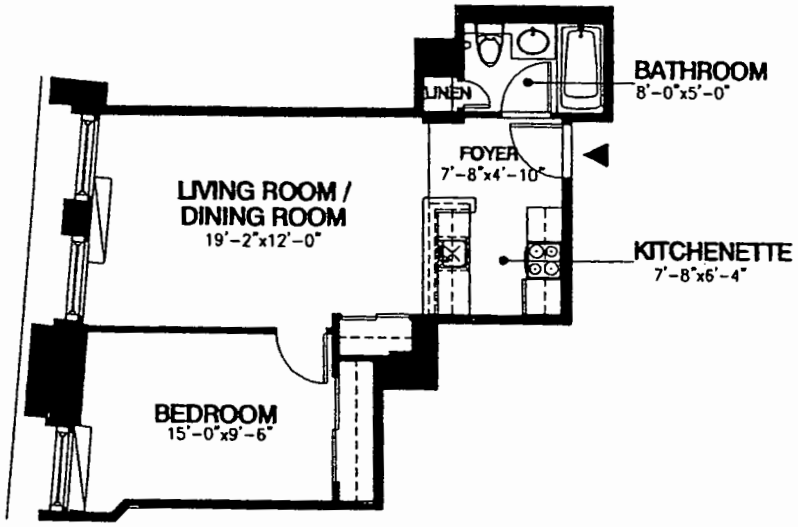


AT CITY HALL PARK

130 NASSAU

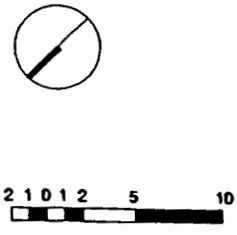
7E
1BEDROOM
1 BATH

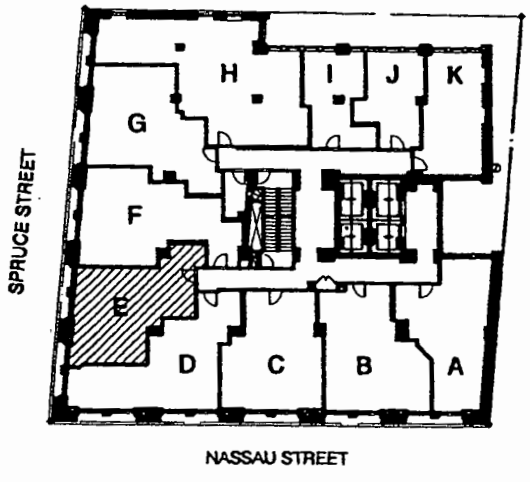
FLOOR NUMBER	APARTMENT AREA
7E	606 SQ.FT.



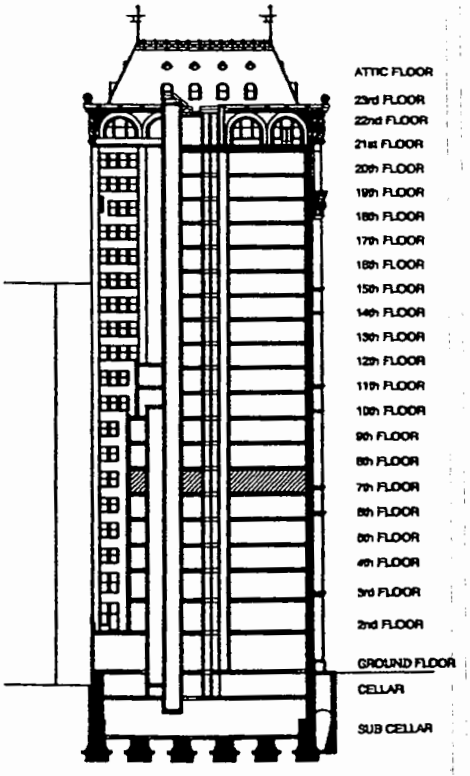
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN

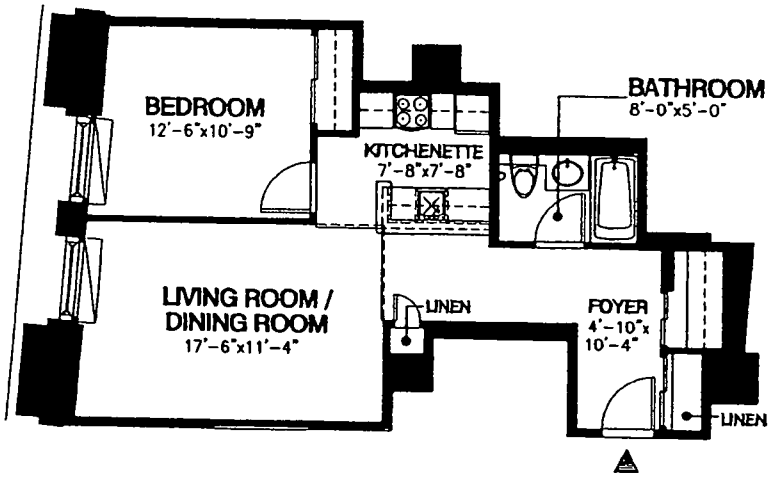


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

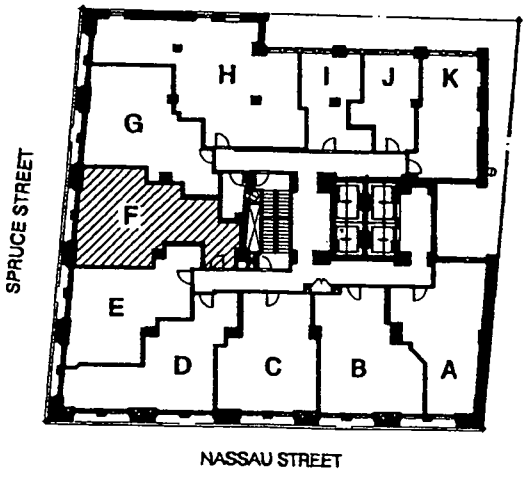
7F
1 BEDROOM
1 BATH



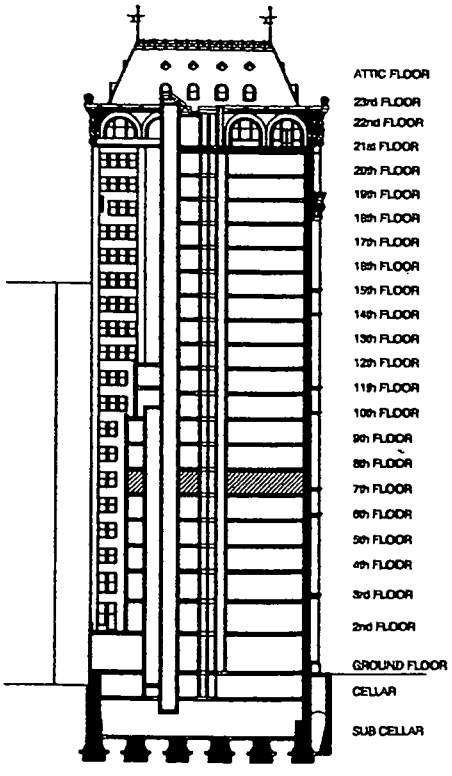
FLOOR NUMBER	APARTMENT AREA
7F	695 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

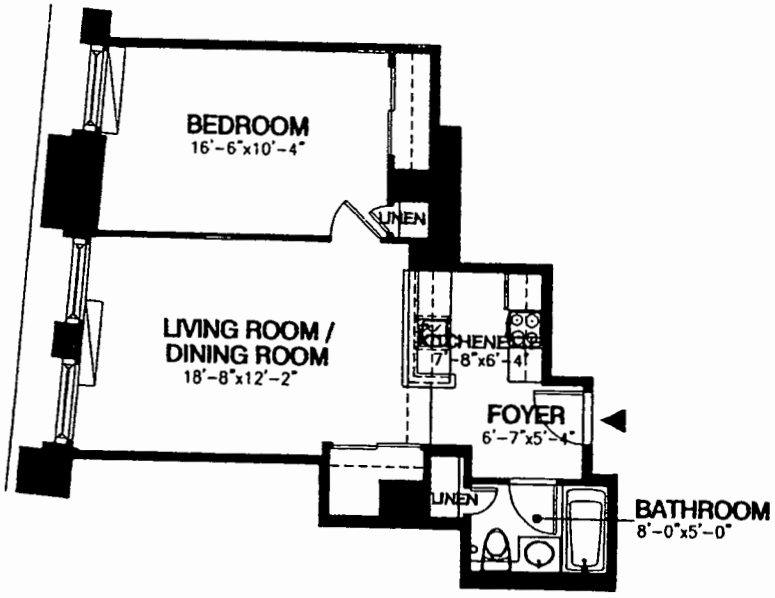
2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

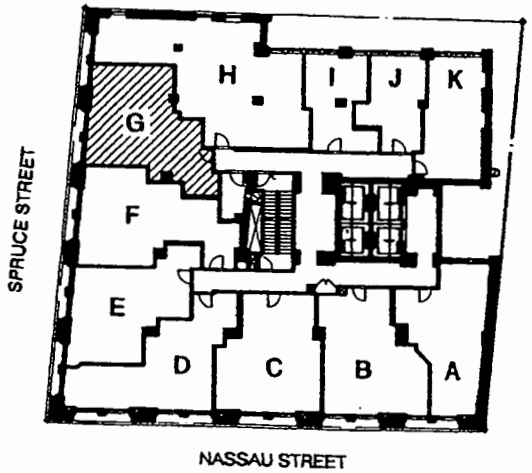
7G
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
7G	666 SQ.FT.

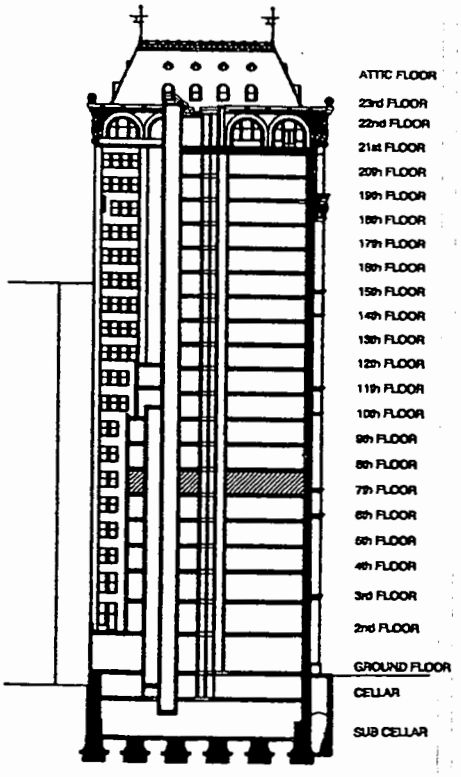


All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

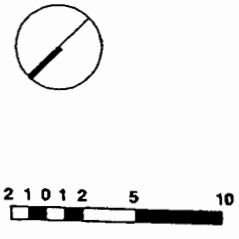
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

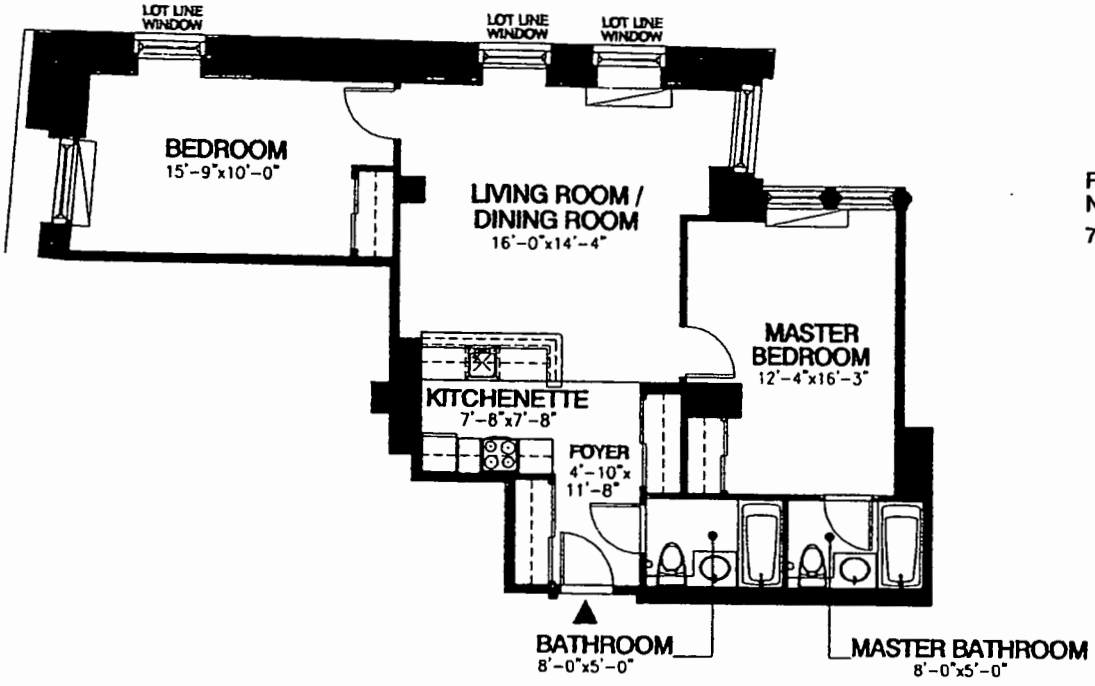


VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

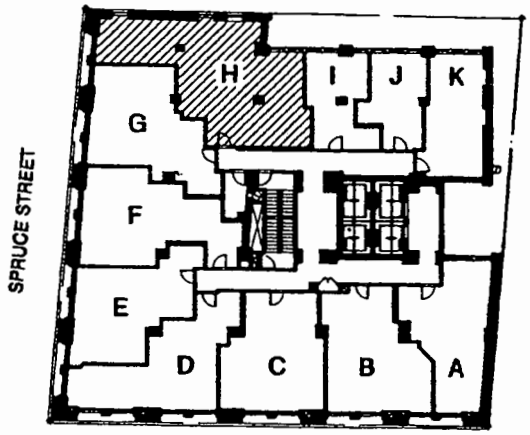


7H
2 BEDROOMS
2 BATHS

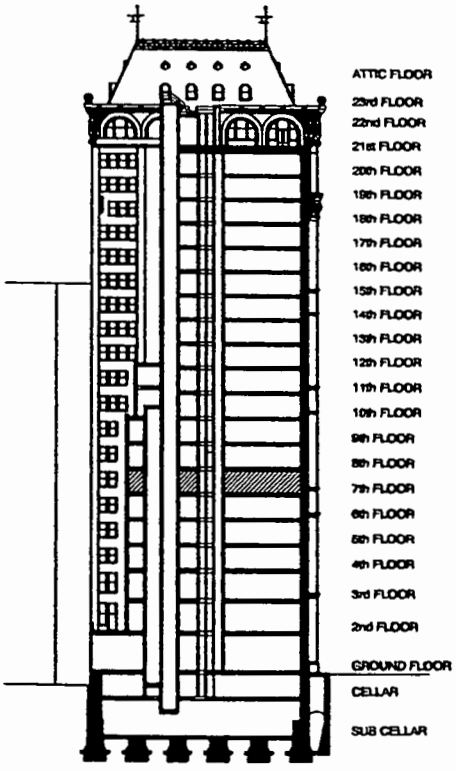
FLOOR NUMBER	APARTMENT AREA
7H	1,068 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

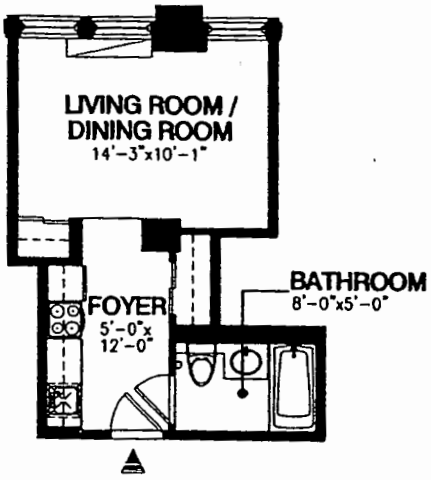
2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

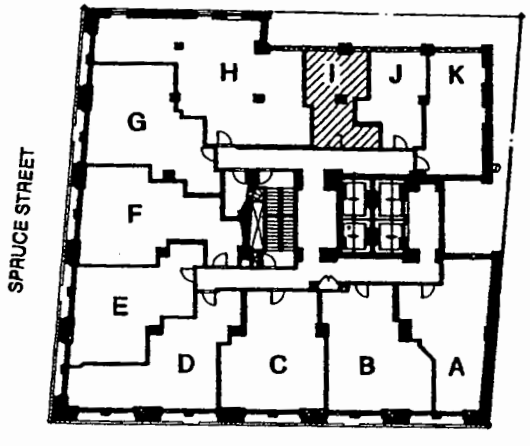
71
STUDIO
1 BATH

FLOOR NUMBER	APARTMENT AREA
71	332 SQ.FT.

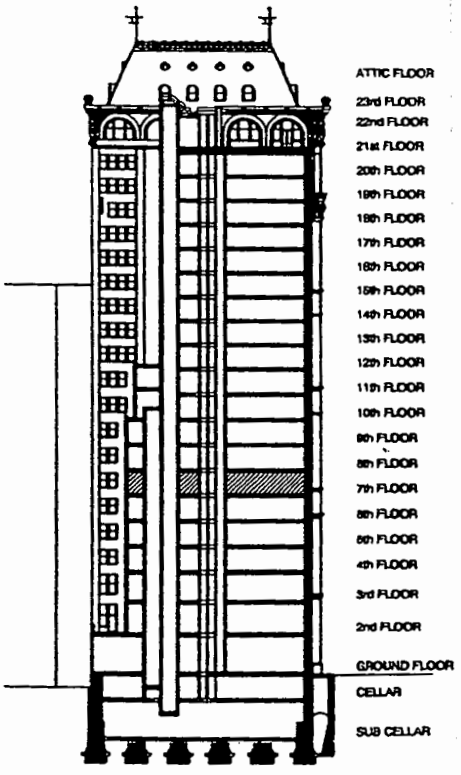


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



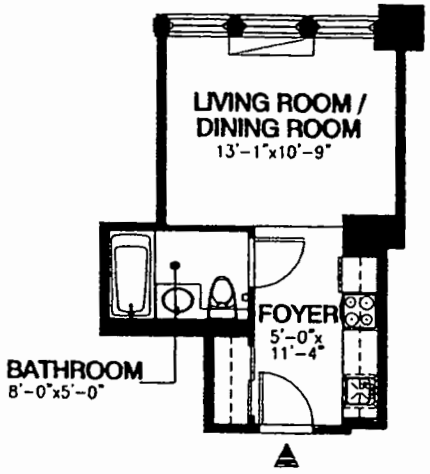
VERTICAL SECTION

2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

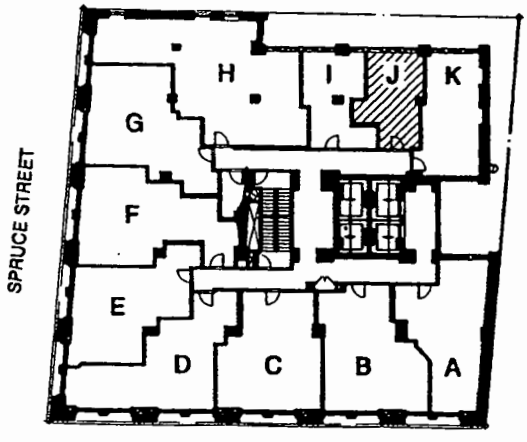
7J
STUDIO
1 BATH



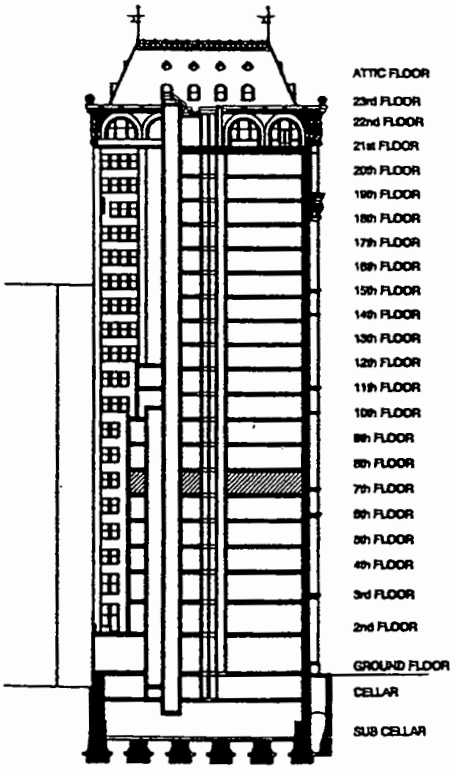
FLOOR NUMBER	APARTMENT AREA
7J	311 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

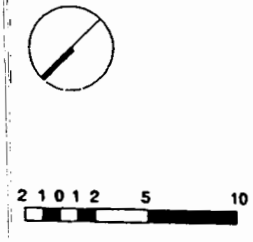
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

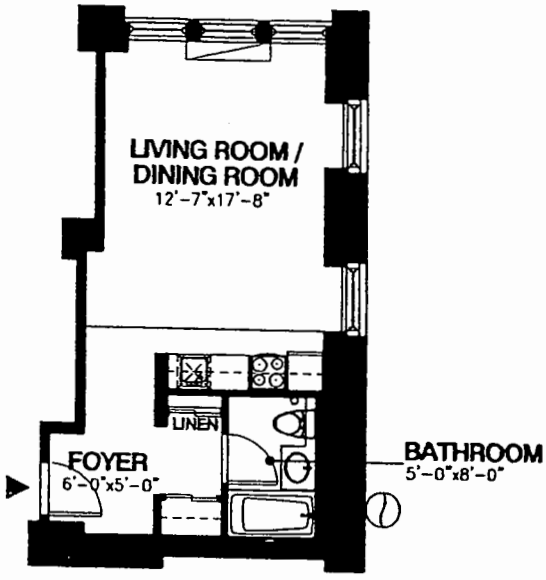


AT CITY HALL PARK

150 NASSAU

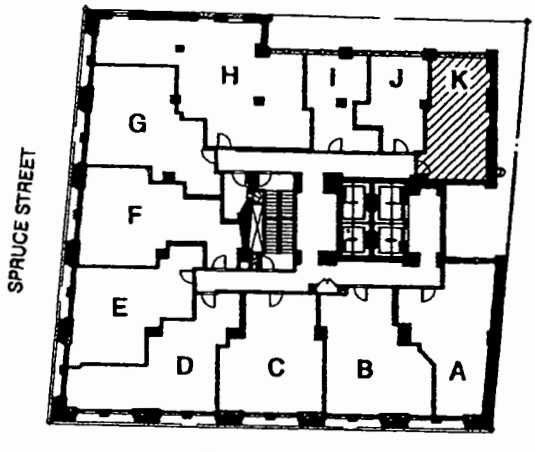
7K
STUDIO
1 BATH

FLOOR NUMBER	APARTMENT AREA
7K	496 SQ.FT.

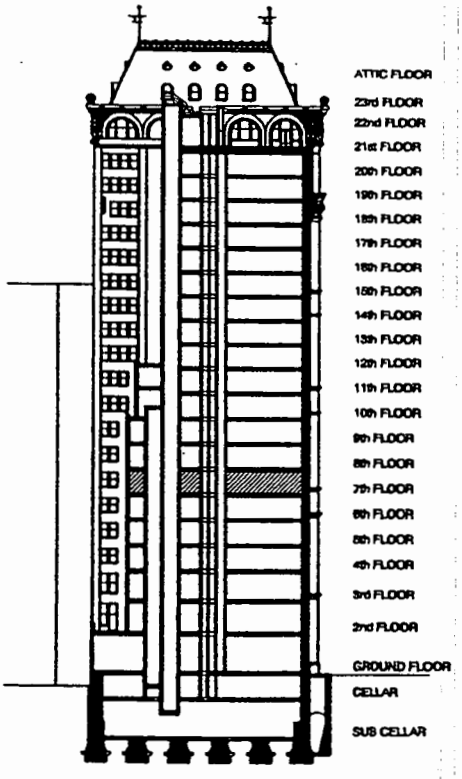


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

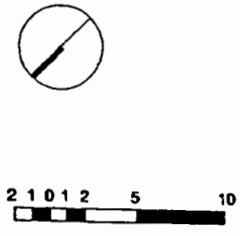
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

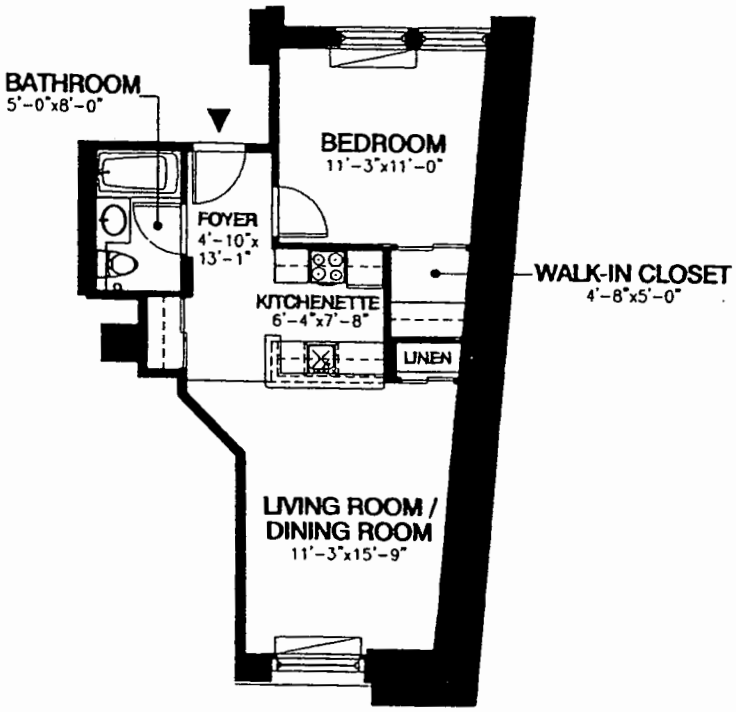


AT CITY HALL PARK

150 NASSAU

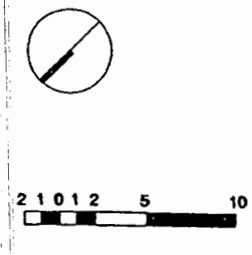
8A
1 BEDROOM
1 BATH

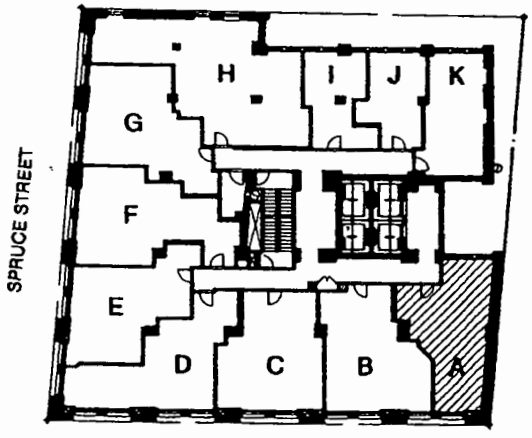
FLOOR NUMBER	APARTMENT AREA
8A	668 SQ.FT.



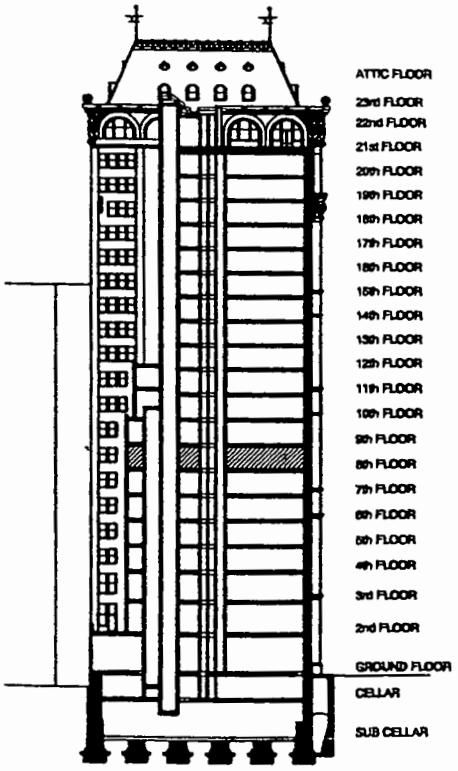
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN



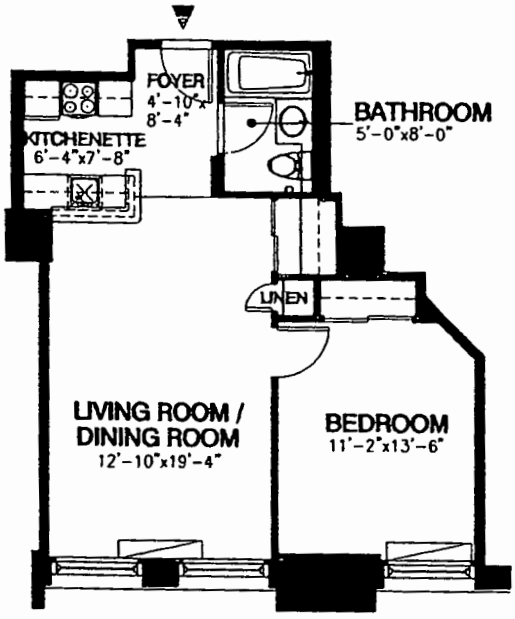
VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

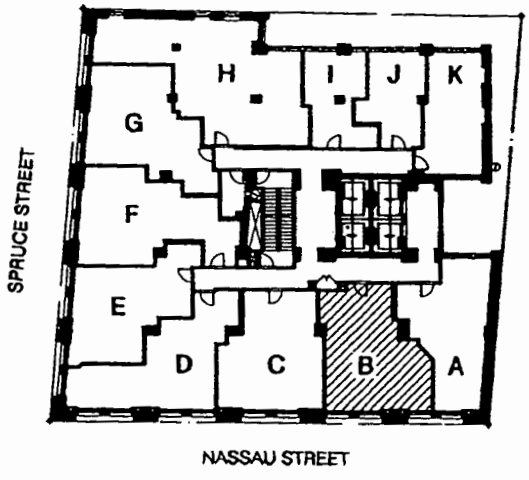
8B
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
8B	657 SQ.FT.

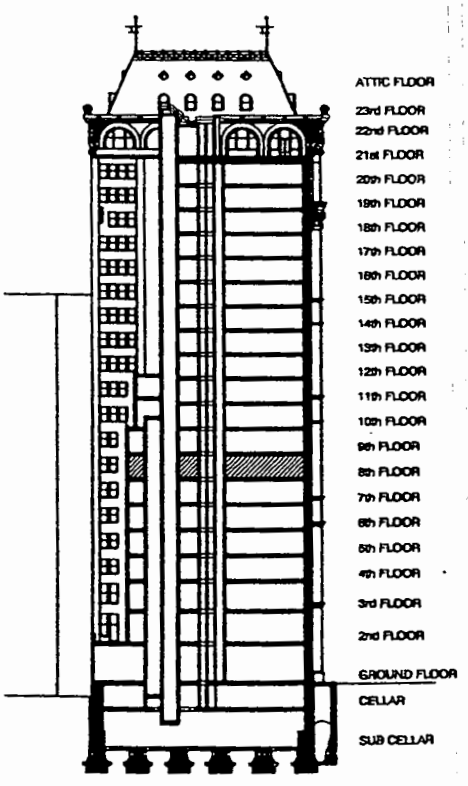


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

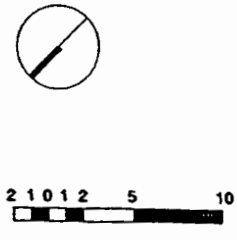
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



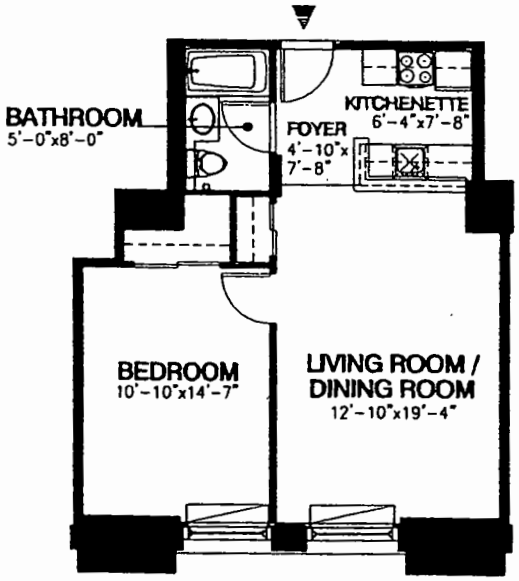
VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

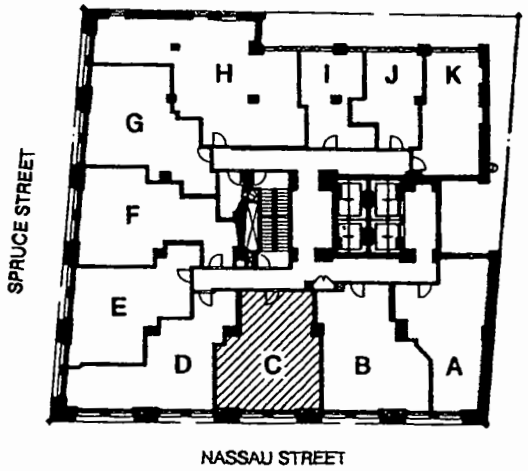
8C
1BEDROOM
1 BATH



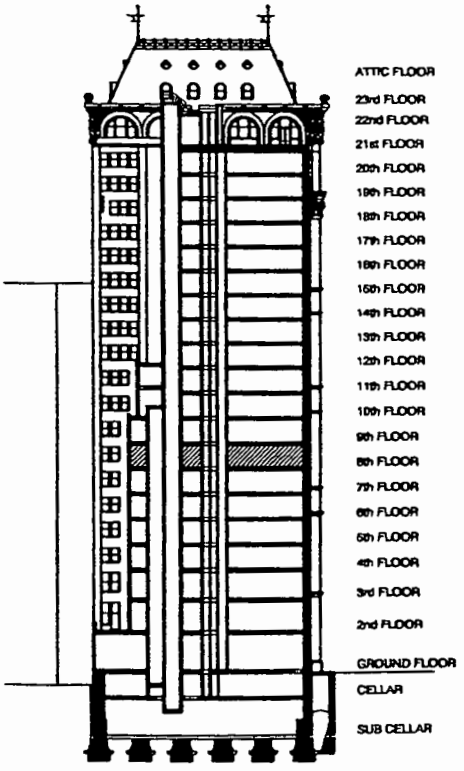
FLOOR NUMBER	APARTMENT AREA
8C	647 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

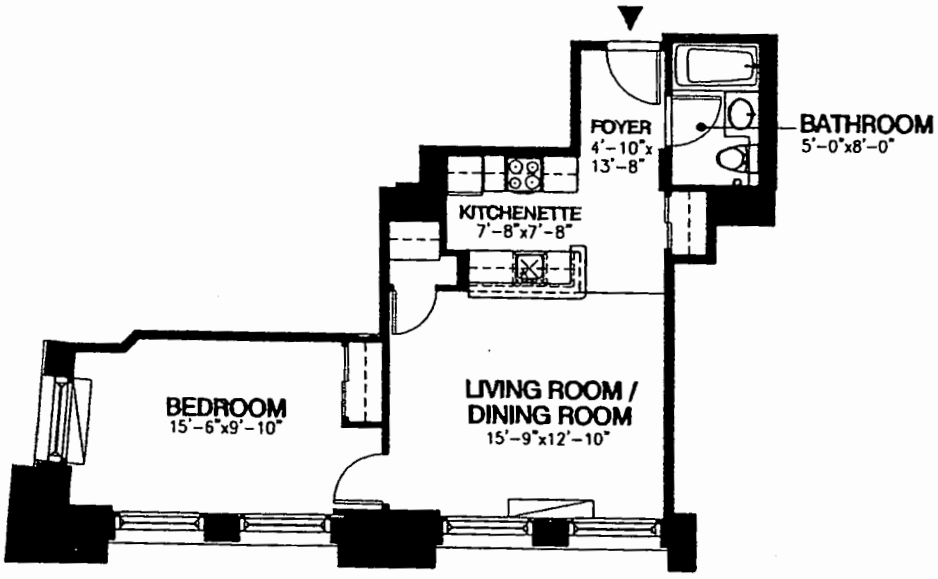
2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

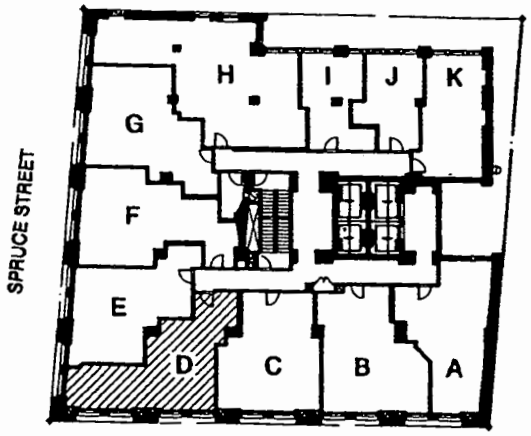
8D
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
8D	683 SQ.FT.

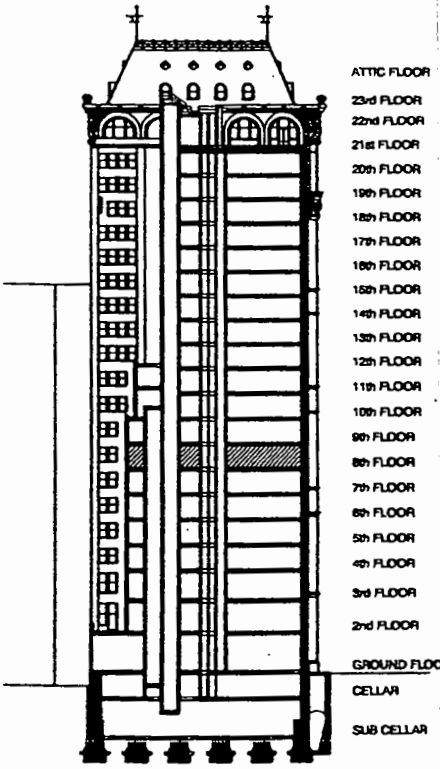


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

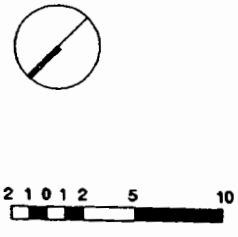
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

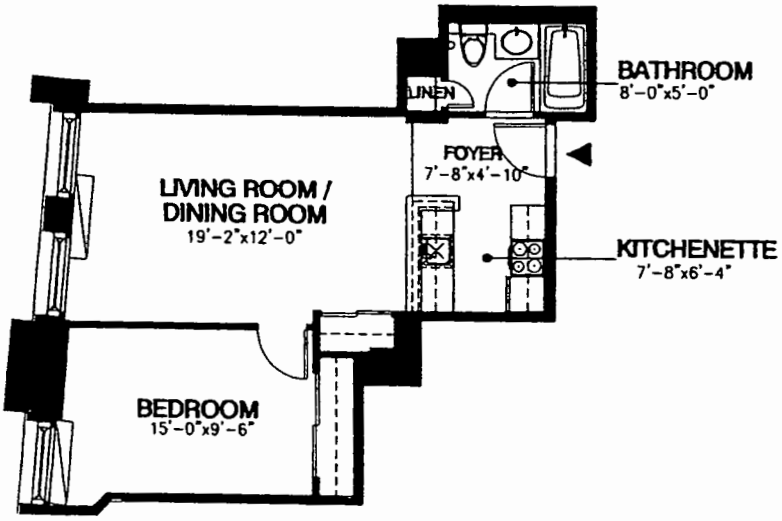


AT CITY HALL PARK

150 NASSAU

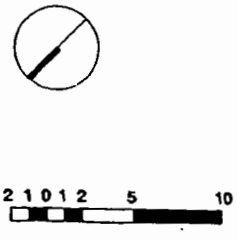
8E
1BEDROOM
1 BATH

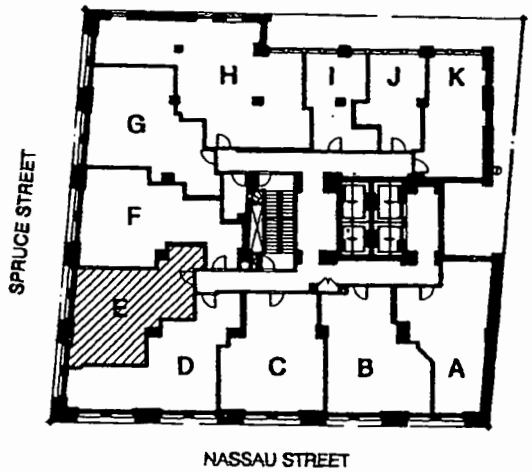
FLOOR NUMBER	APARTMENT AREA
8E	606 SQ.FT.



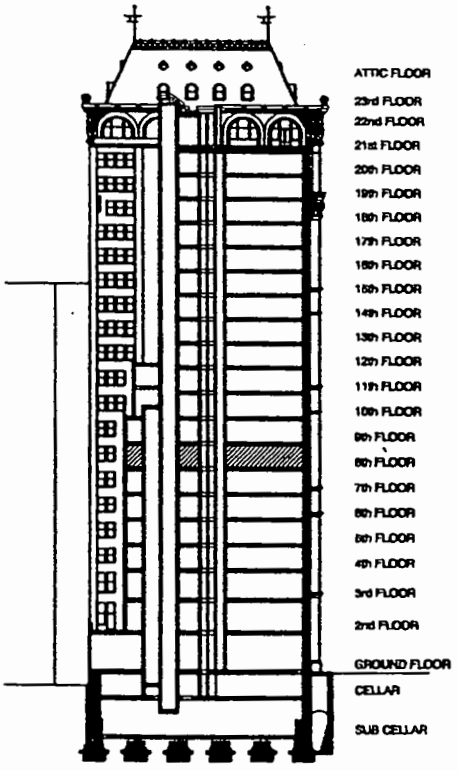
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN

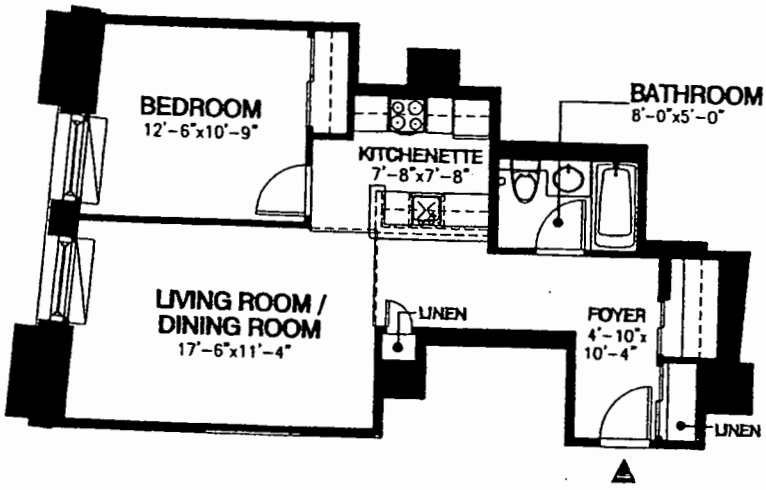


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

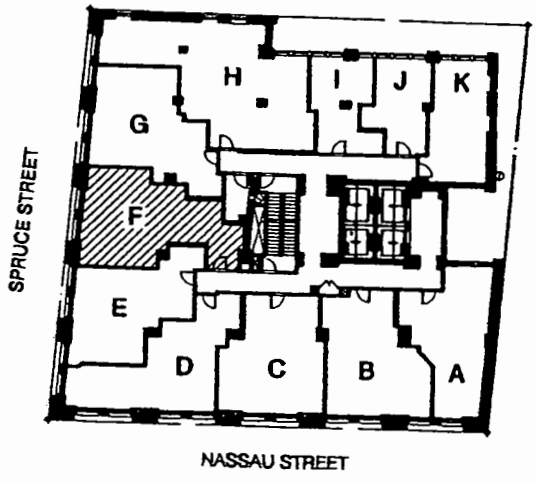
8F
1 BEDROOM
1 BATH



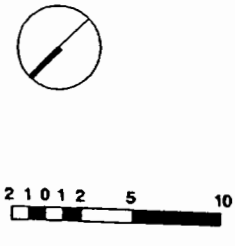
FLOOR NUMBER	APARTMENT AREA
8F	695 SQ.FT.

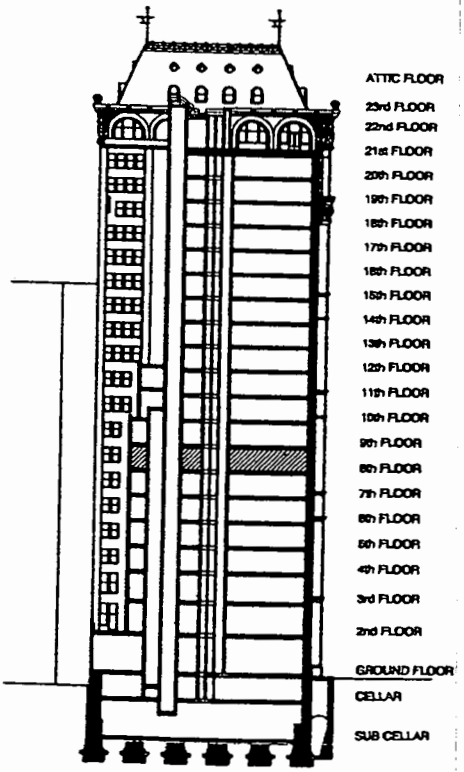
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN





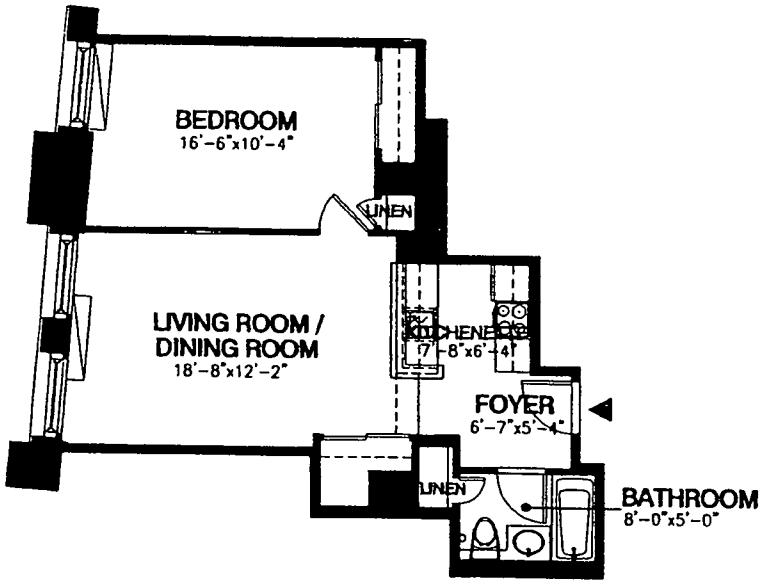
VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

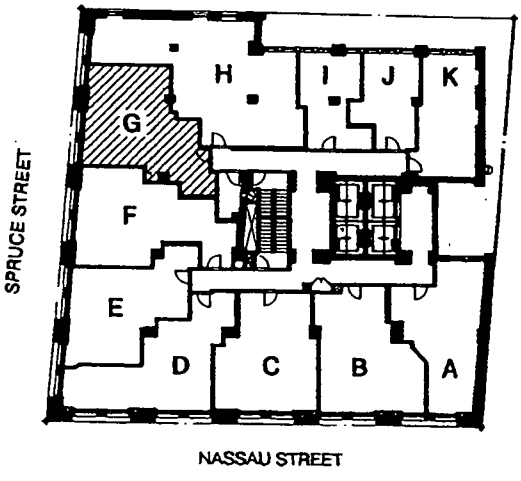
8G
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
8G	666 SQ.FT.

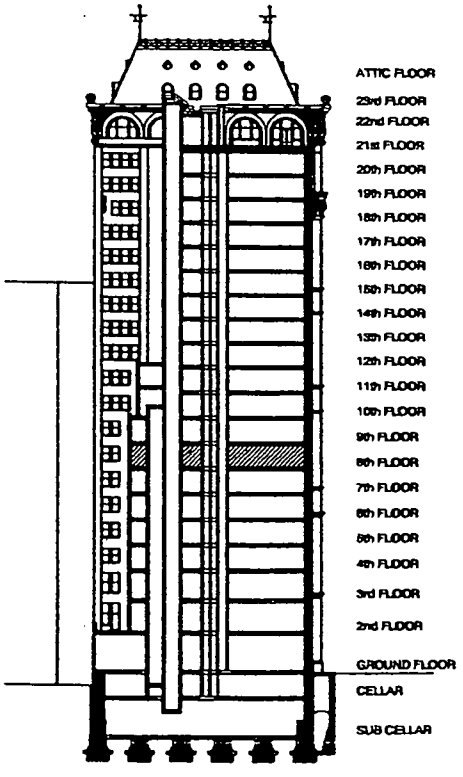


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

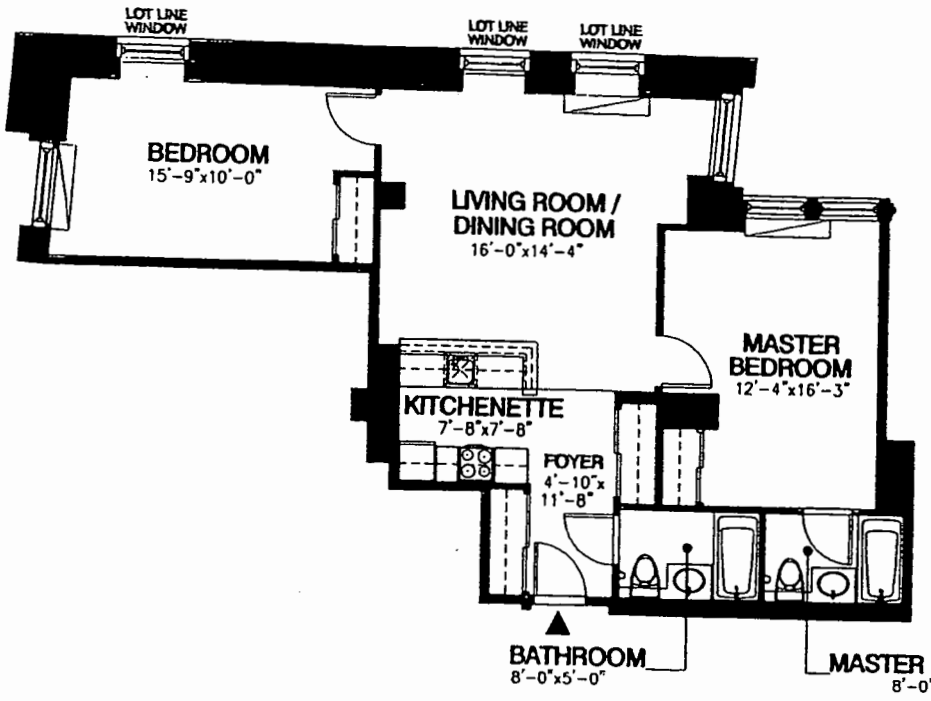


VERTICAL SECTION

2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

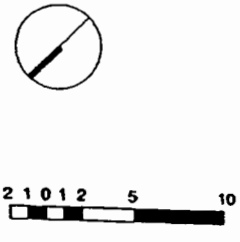


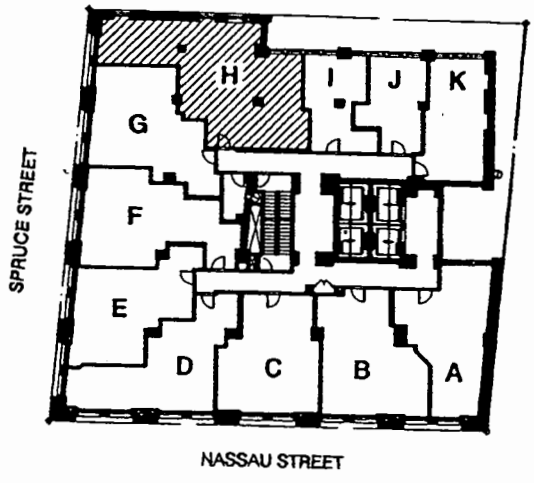
8H
2 BEDROOMS
2 BATHS

FLOOR NUMBER	APARTMENT AREA
8H	1,068 SQ.FT.

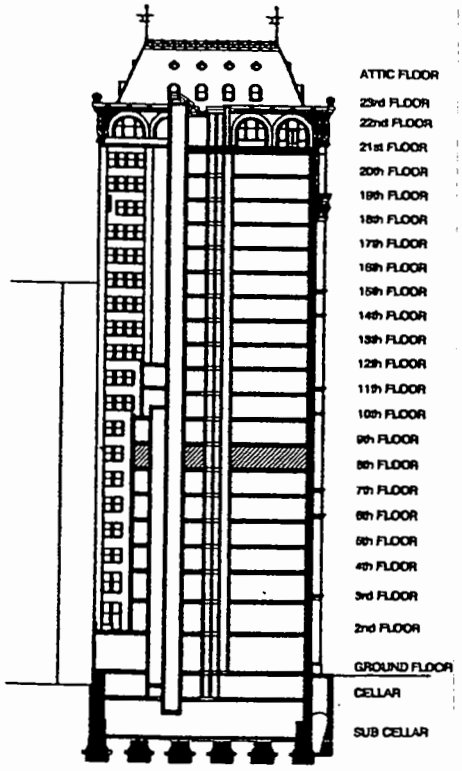
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN

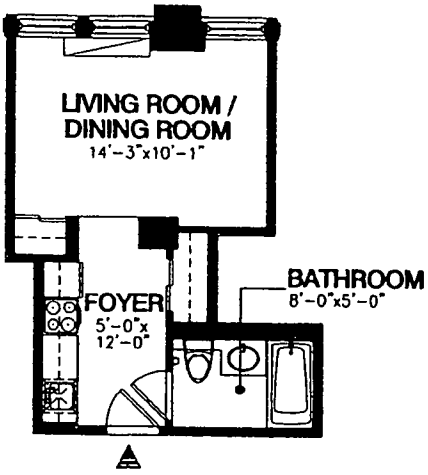


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

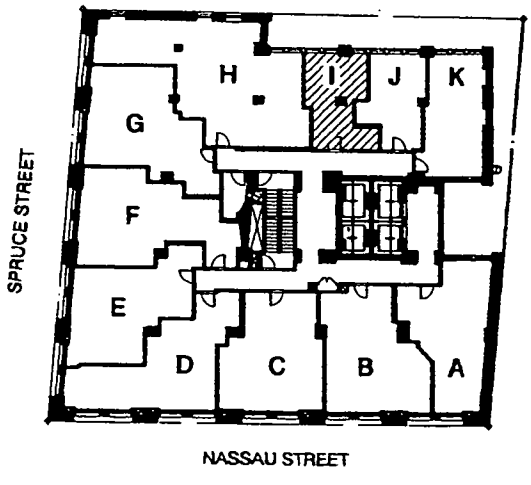
81
STUDIO
1 BATH



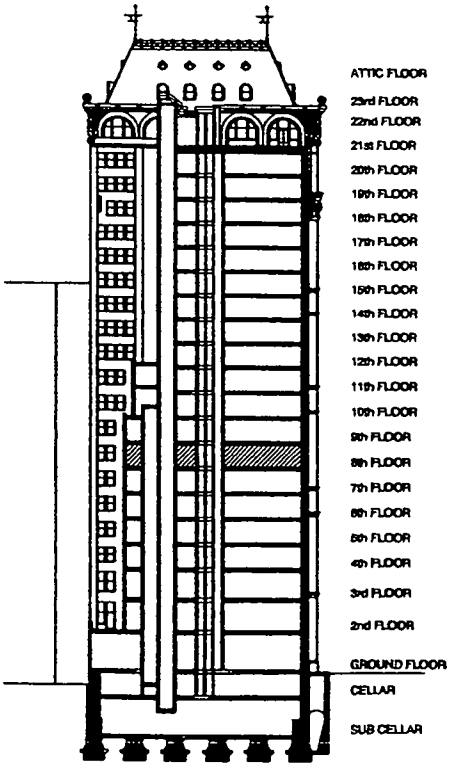
FLOOR NUMBER	APARTMENT AREA
81	332 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



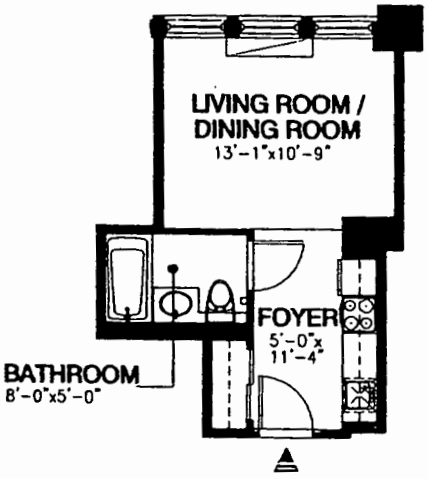
VERTICAL SECTION

2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

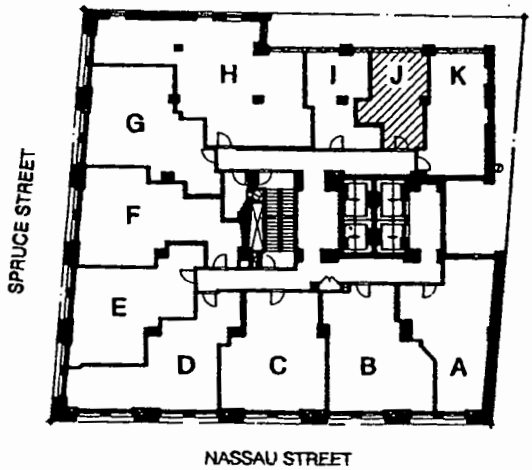
8J
STUDIO
1 BATH



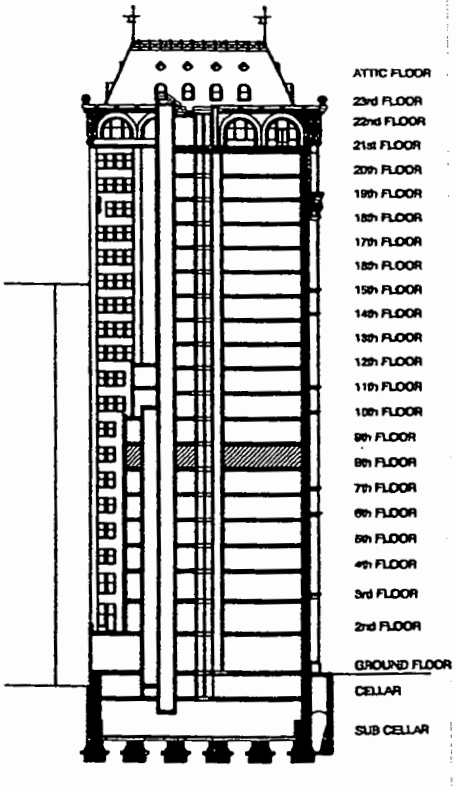
FLOOR NUMBER	APARTMENT AREA
8J	311 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

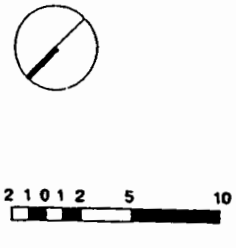
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

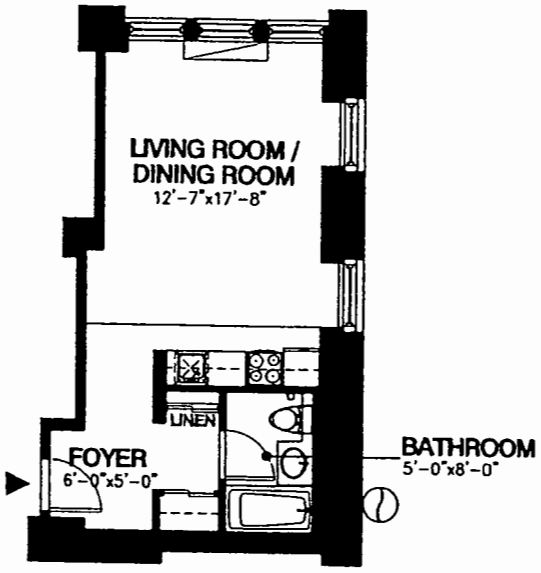


AT CITY HALL PARK

130 NASSAU

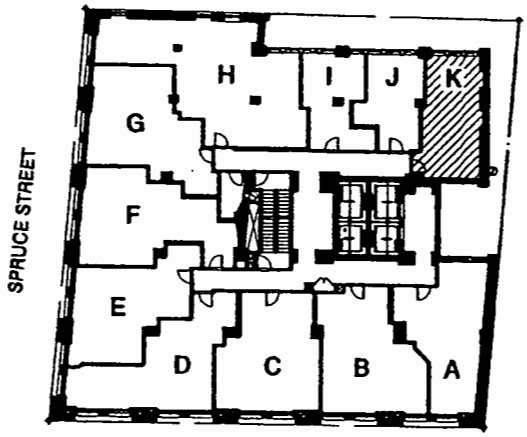
8K
STUDIO
1 BATH

FLOOR NUMBER	APARTMENT AREA
8K	496 SQ.FT.

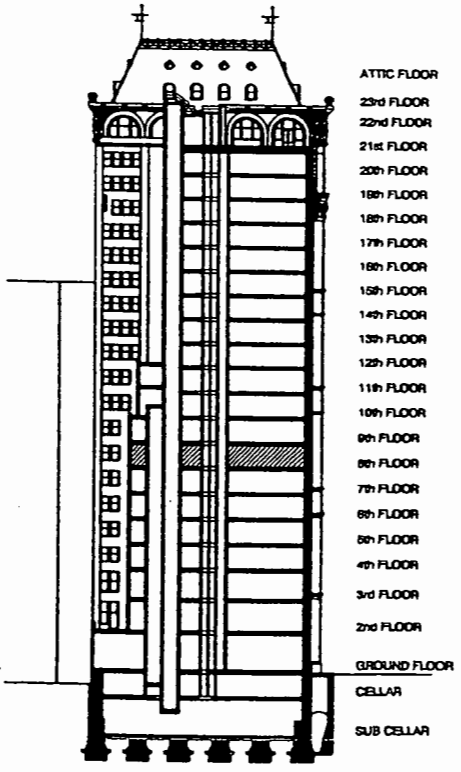


All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



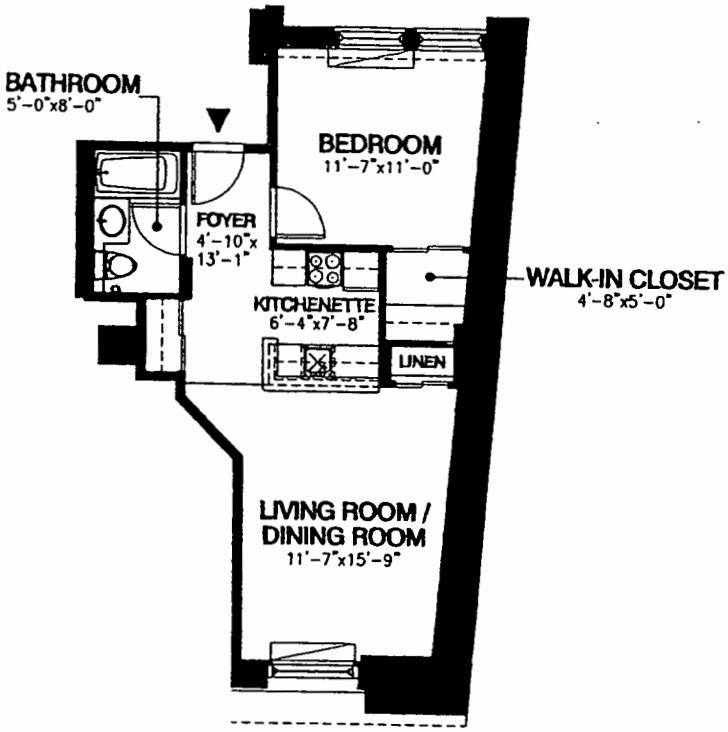
VERTICAL SECTION



AT CITY HALL PARK

130 NASSAU

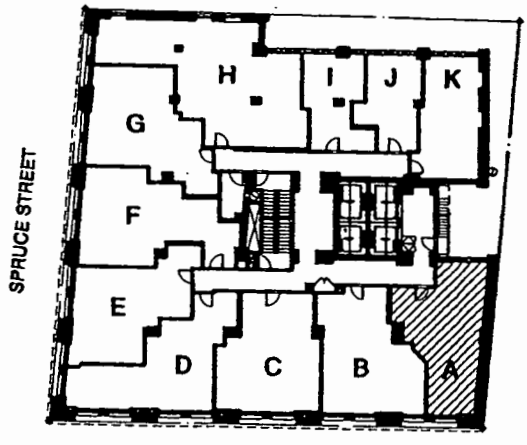
9A
1 BEDROOM
1 BATH



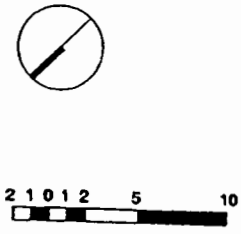
FLOOR NUMBER	APARTMENT AREA
9A	668 SQ.FT.

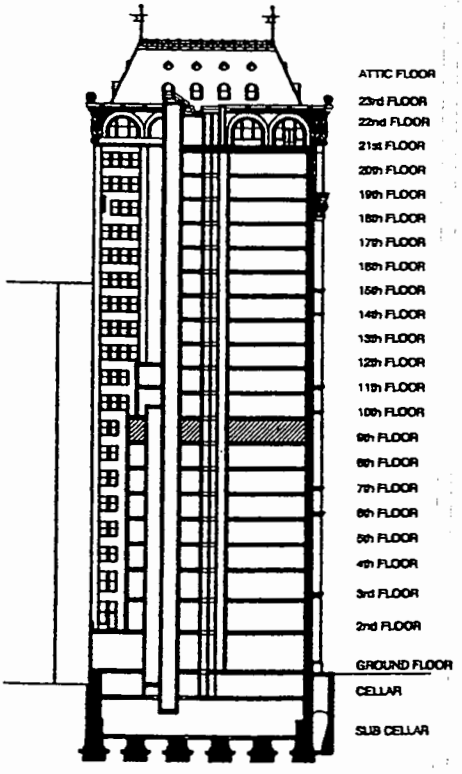
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN





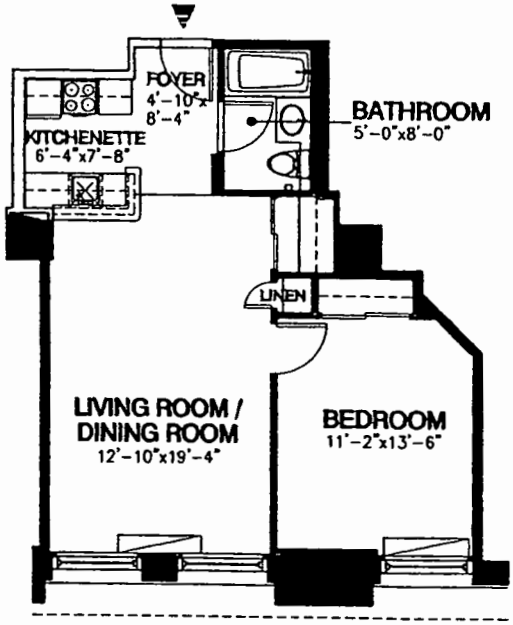
VERTICAL SECTION

AT CITY HALL PARK

130 NASSAU

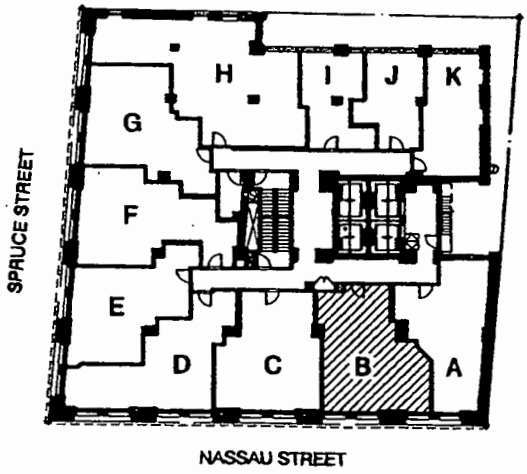
9B
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
9B	657 SQ.FT.

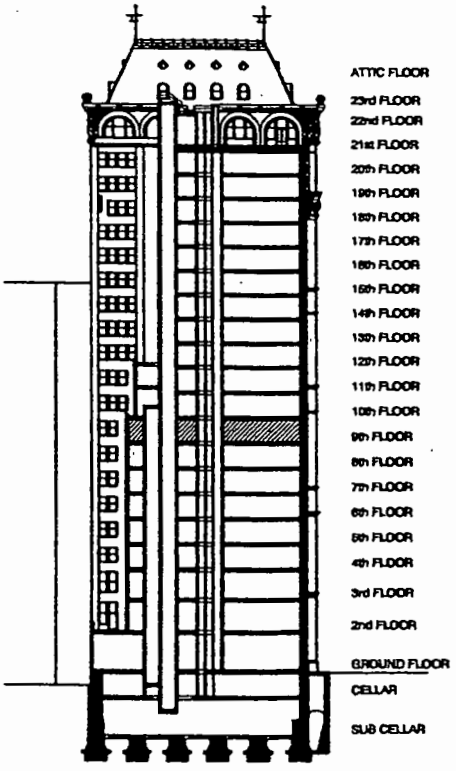


All dimensions are approximate and subject to *normal* construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the *right* to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

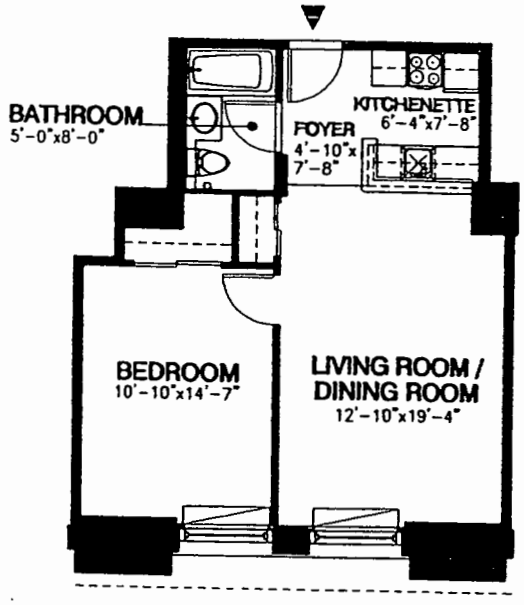
2 1 0 1 2 5 10

AT CITY HALL PARK

130 NASSAU

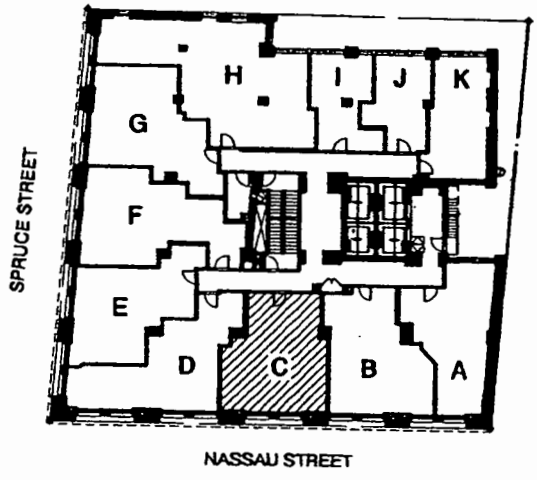
9C
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
9C	647 SQ.FT.

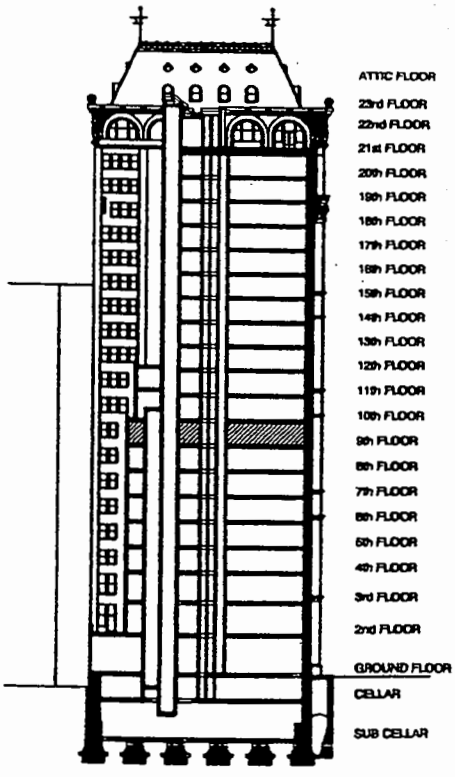


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

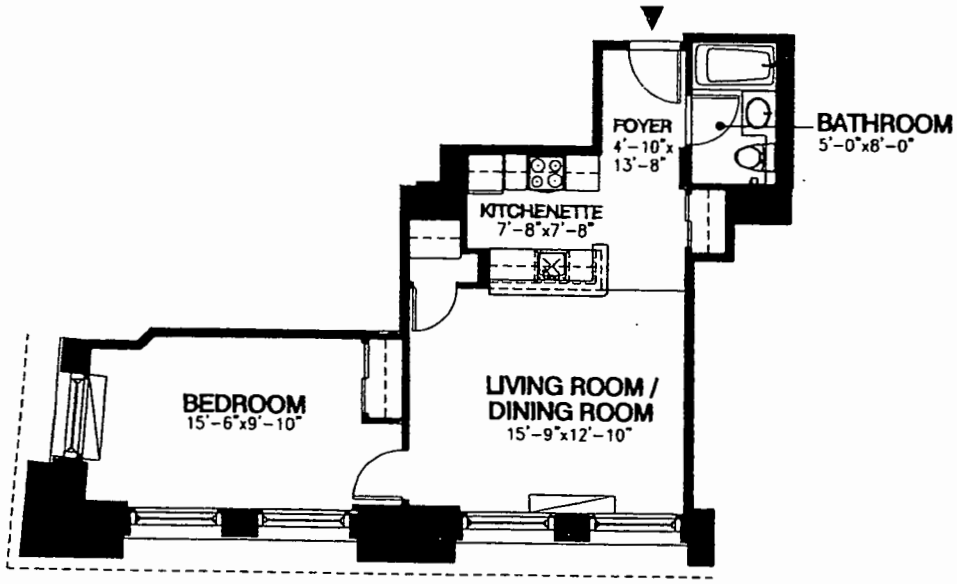
2 1 0 1 2 5 10

AT CITY HALL PARK

130 NASSAU

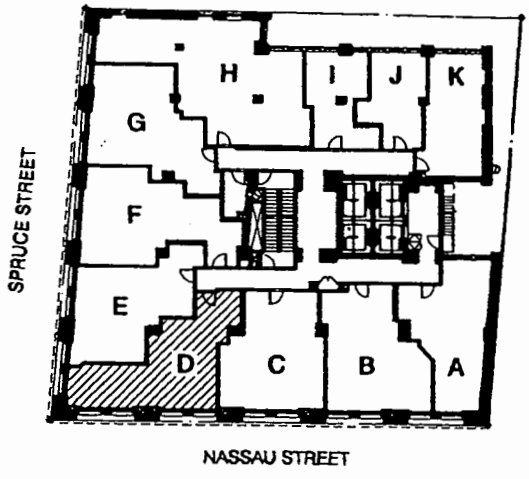
9D
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
9D	683 SQ.FT.

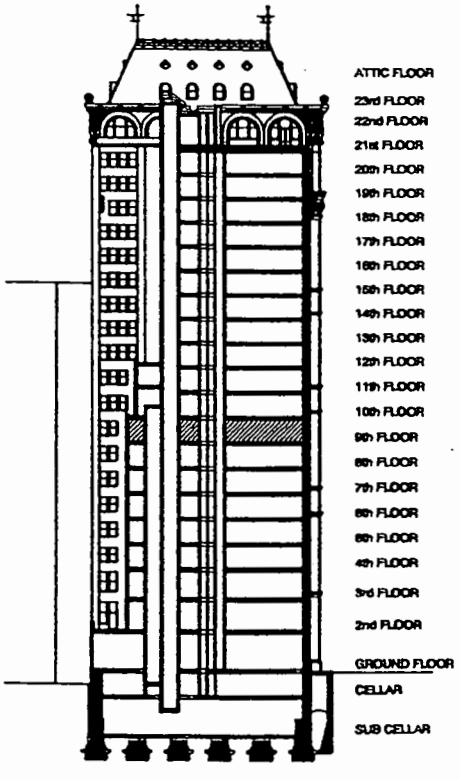


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

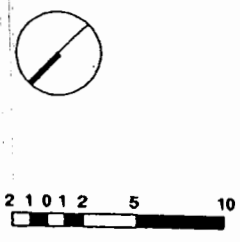
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

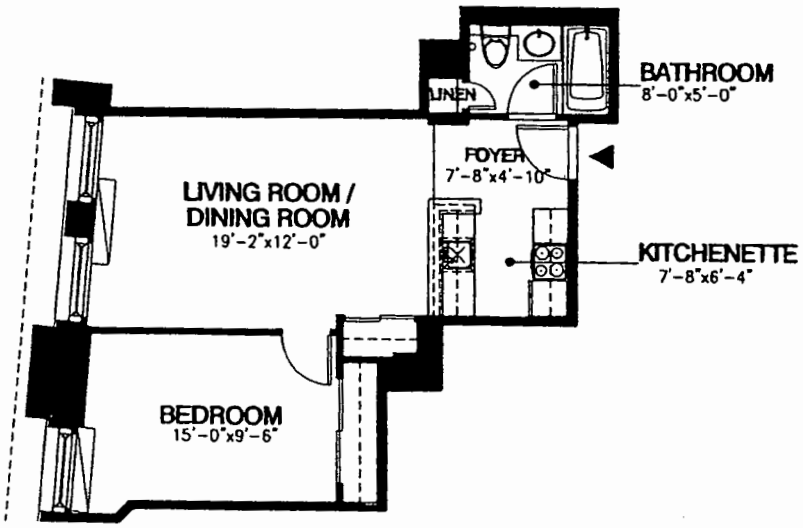


AT CITY HALL PARK

130 NASSAU

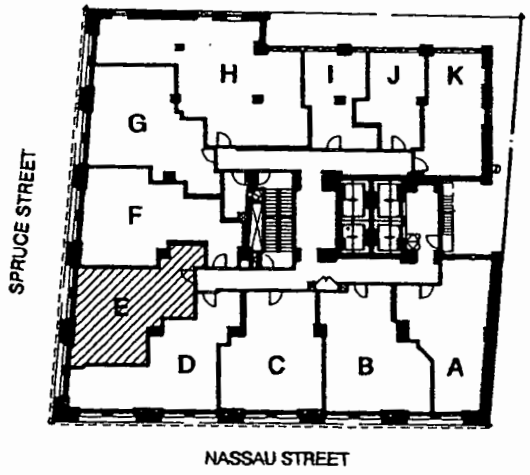
9E
1BEDROOM
1 BATH

FLOOR NUMBER	APARTMENT AREA
9E	606 SQ.FT.

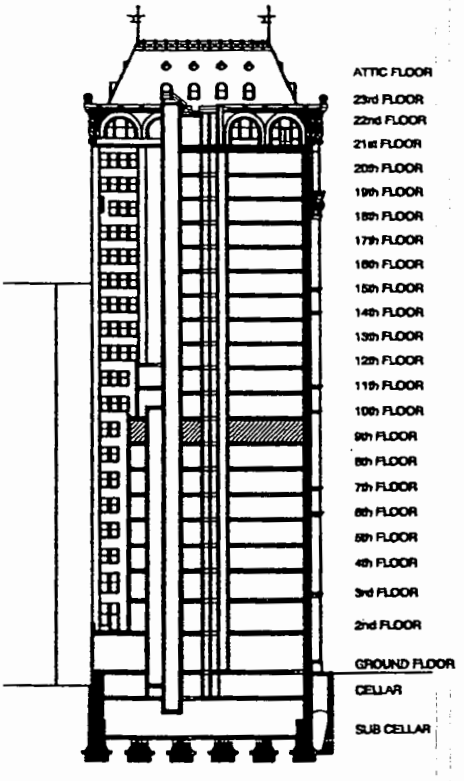


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

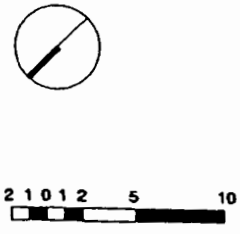
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



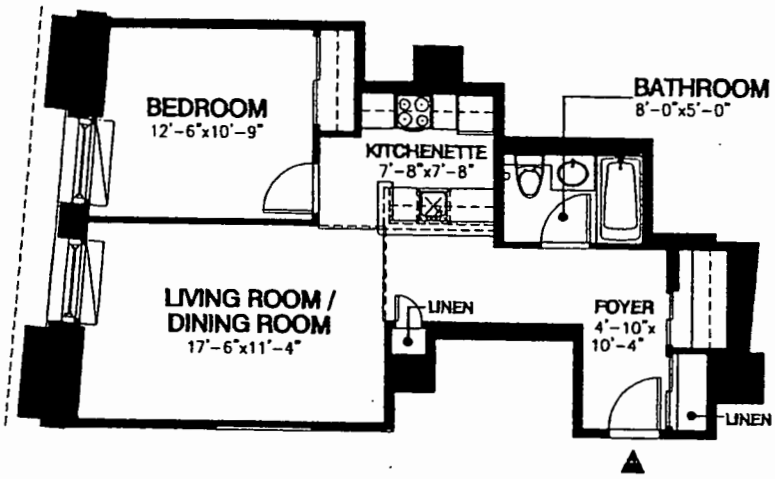
VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

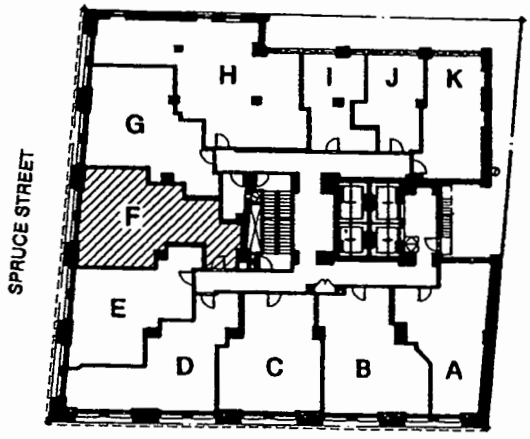
9F
1 BEDROOM
1 BATH



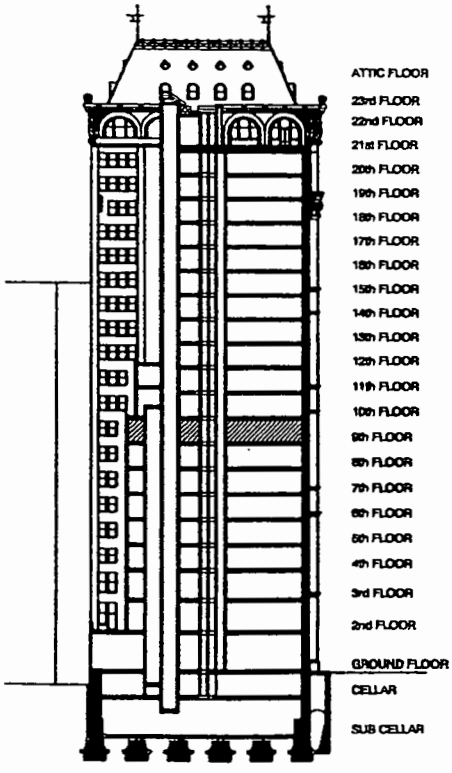
FLOOR NUMBER	APARTMENT AREA
9F	695 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

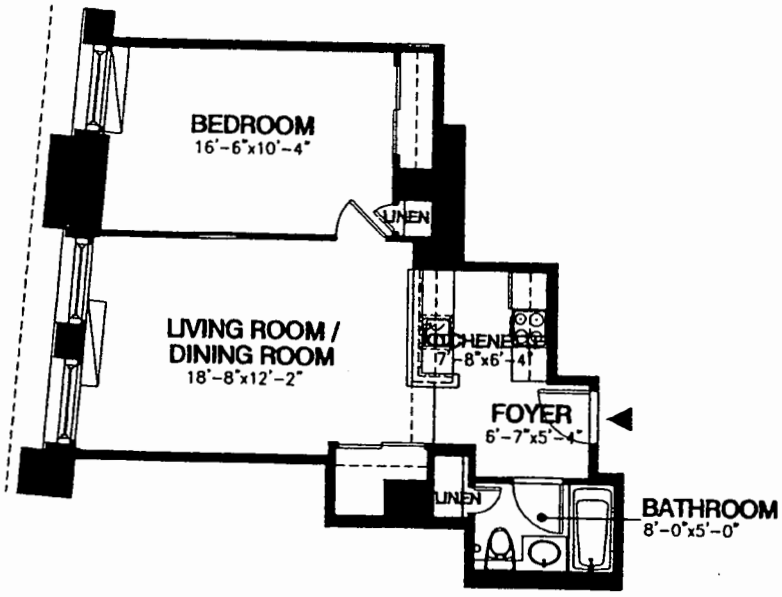
2 1 0 1 2 5 10

AT CITY HALL PARK

190 NASSAU

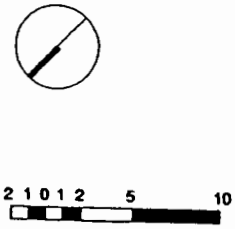
9G
1BEDROOM
1 BATH

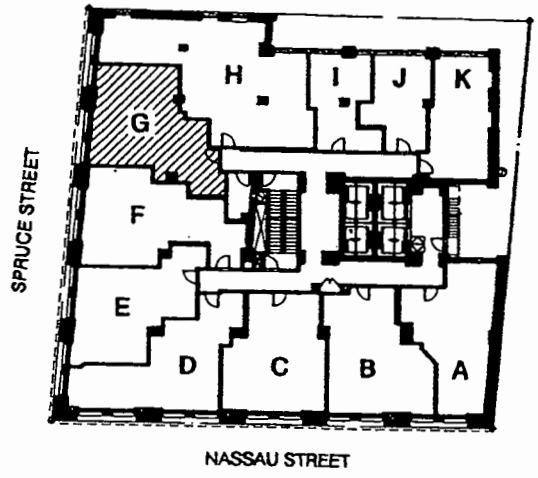
FLOOR NUMBER	APARTMENT AREA
9G	666 SQ.FT.



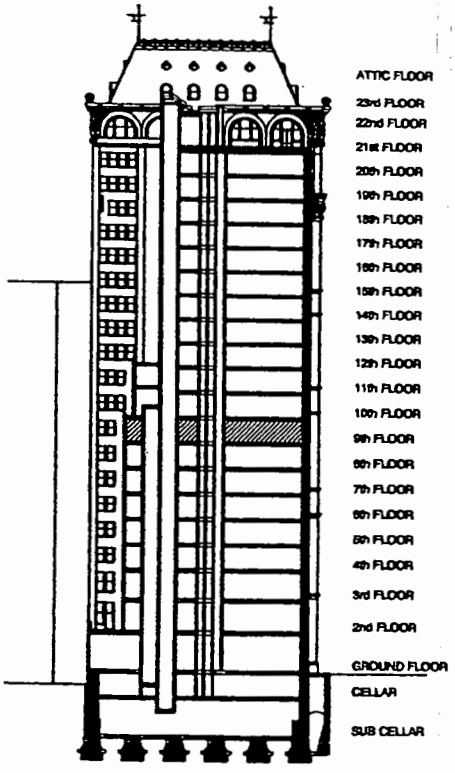
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





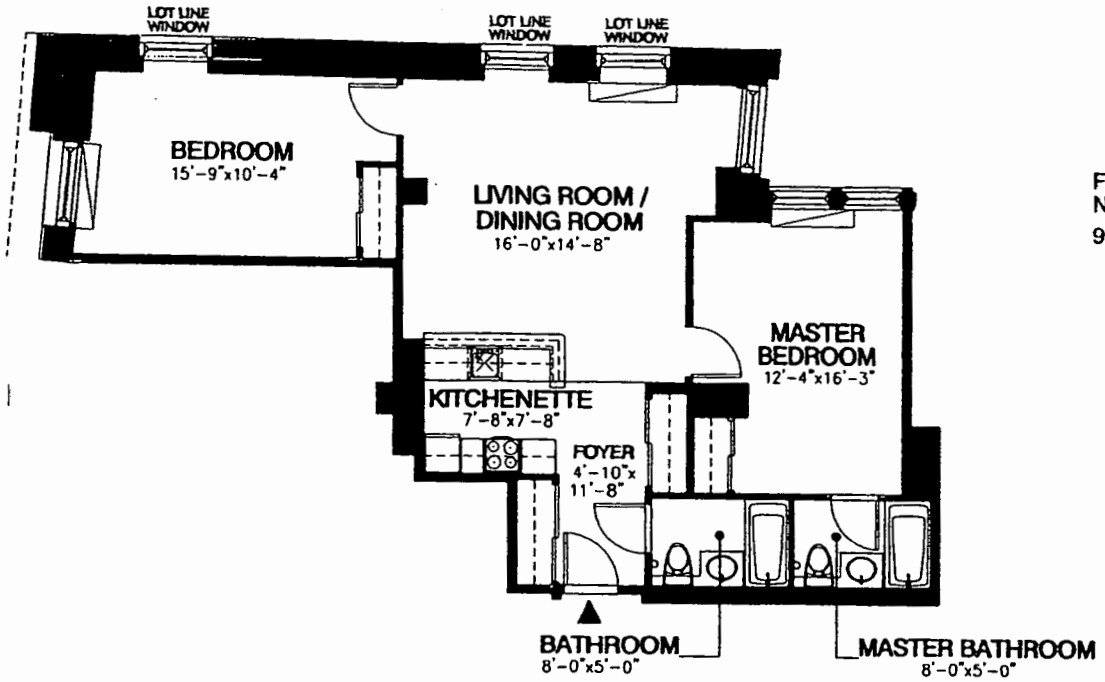
KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

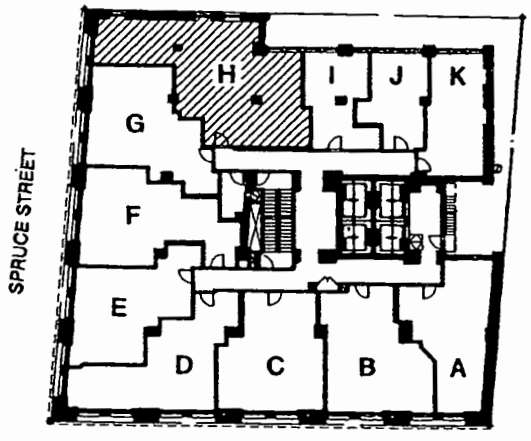


9H
2 BEDROOMS 2 BATHS

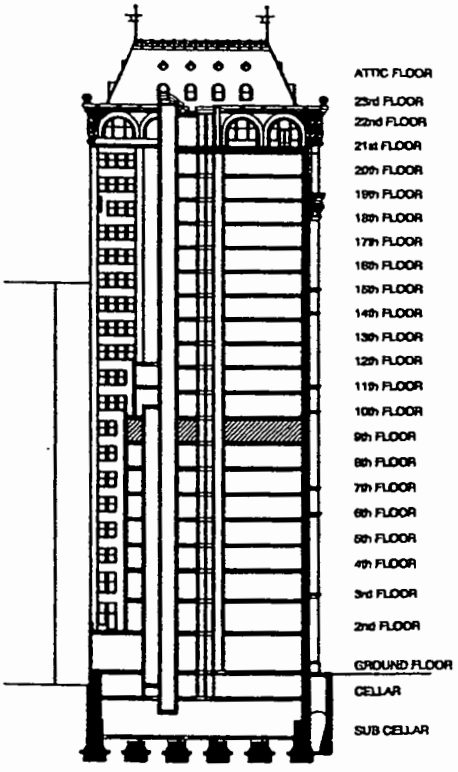
FLOOR NUMBER	APARTMENT AREA
9H	1,068 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

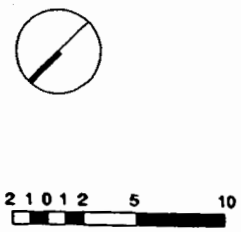
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



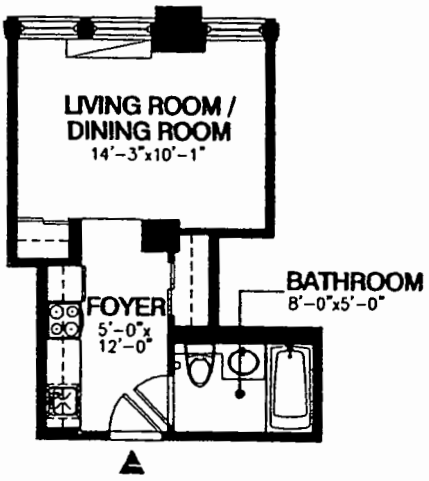
VERTICAL SECTION



AT CITY HALL PARK

130 NASSAU

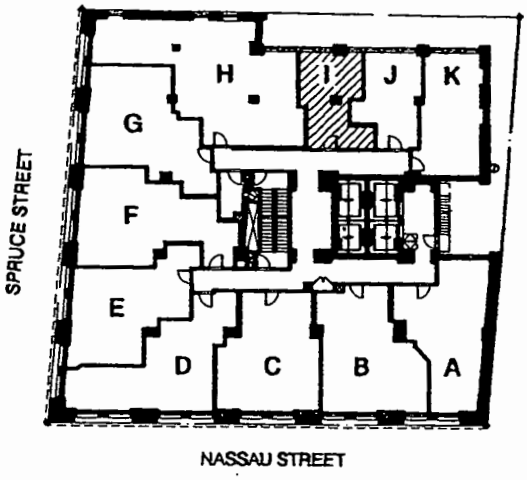
91
STUDIO
1 BATH



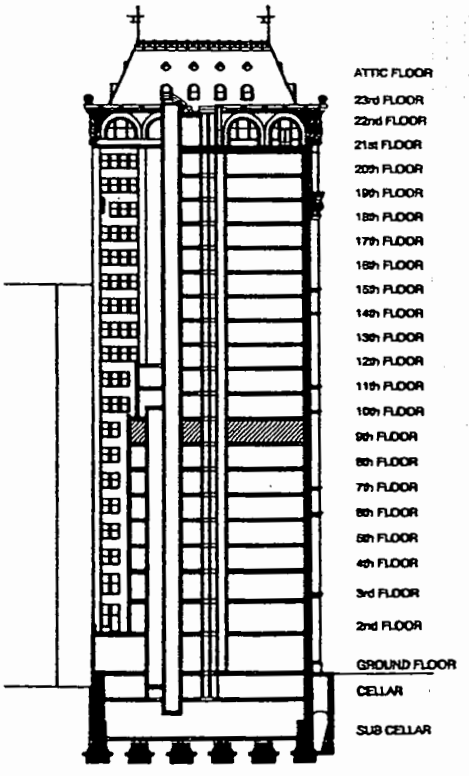
FLOOR NUMBER	APARTMENT AREA
91	332 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

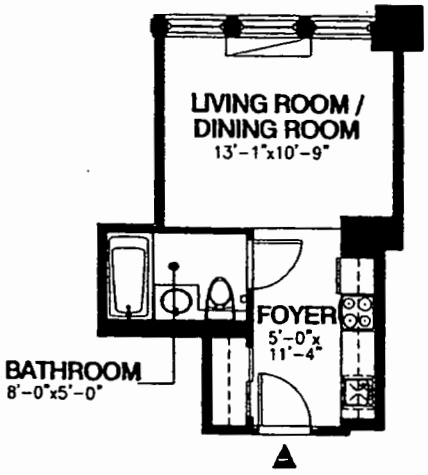
2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

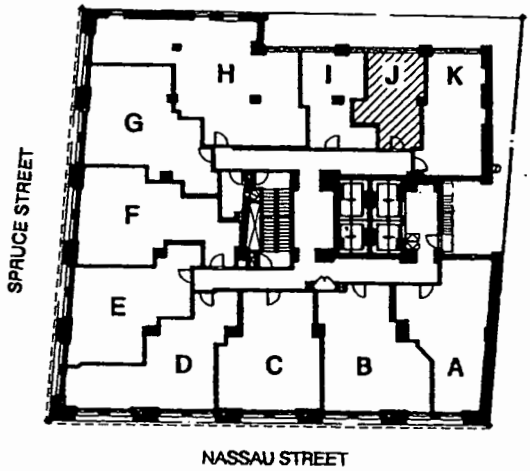
9J
STUDIO
1 BATH

FLOOR NUMBER	APARTMENT AREA
9J	311 SQ.FT.

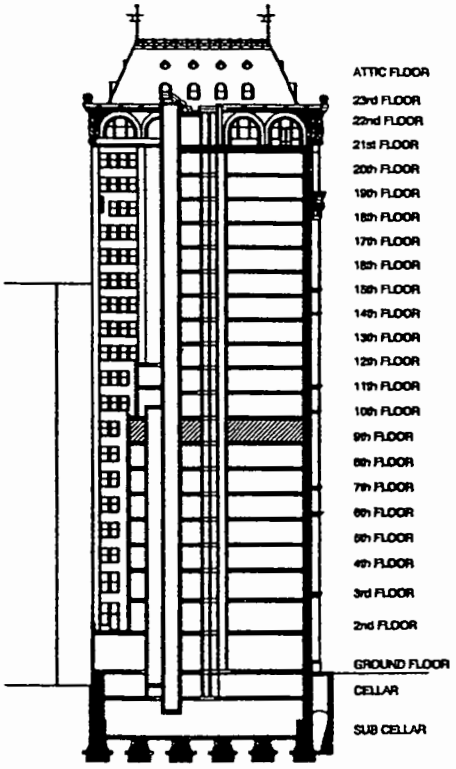


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

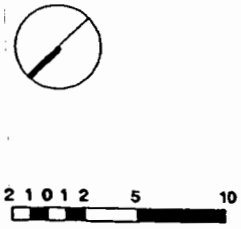
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



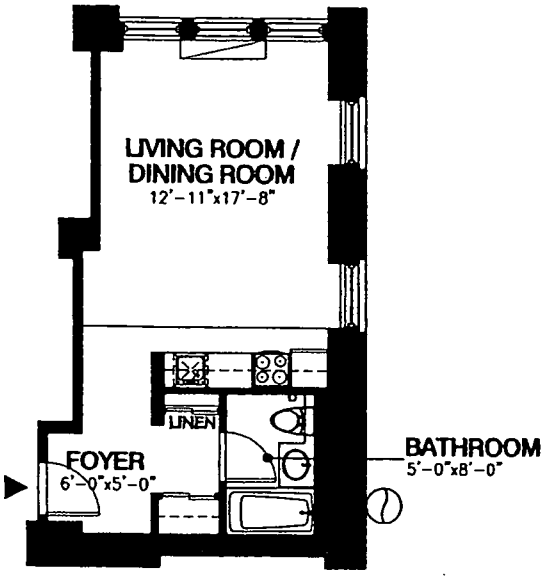
VERTICAL SECTION



AT CITY HALL PARK

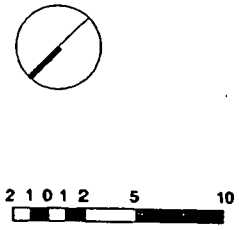
9K
STUDIO
1 BATH

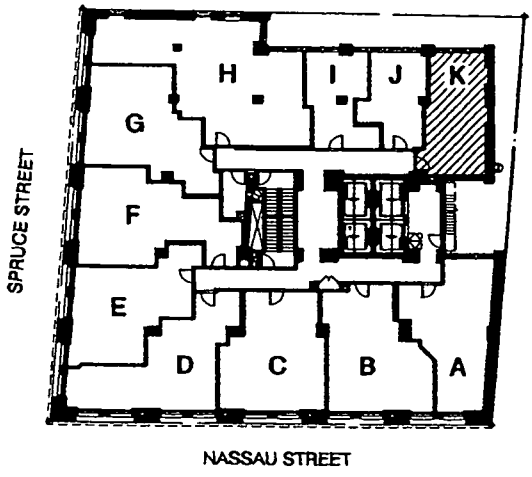
FLOOR NUMBER	APARTMENT AREA
9K	496 SQ.FT.



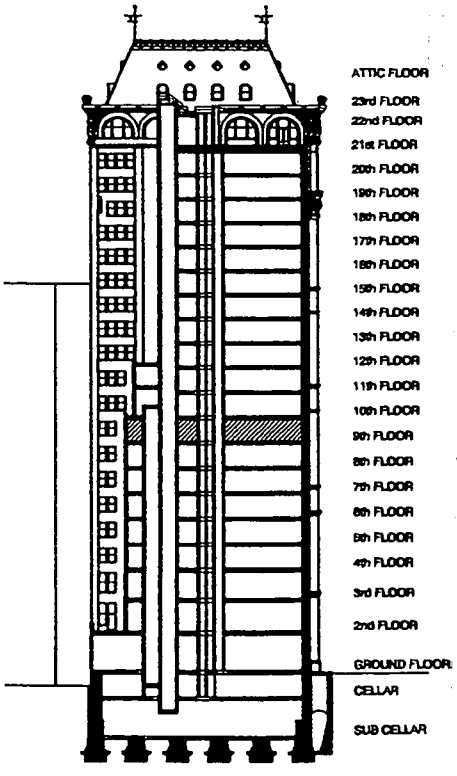
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

EXHIBIT "G"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS OF SPONSOR

New York State Department of Law
Real Estate Financing Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
150 Nassau Street
New York, New York

We are the sponsor and the principals of sponsor of the condominium offering plan, as amended, for the captioned property ("offering plan").

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR:

2 SPRUCE STREET LLC

By: _____
Name: Harold Schertz
Title: Managing Member

PRINCIPAL(S) OF SPONSOR:

_____
Yitzchak Tessler

_____
Harold Schertz

Severally sworn to before me
this 11th day of June, 2002

_____
Notary Public

CHANELLE DUBOV
Notary Public, State of New York
No. 01DU6007839
Qualified in Kings County
Commission Expires May 26, 2006

SECOND AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

150 NASSAU CONDOMINIUM
150 NASSAU STREET
NEW YORK, NEW YORK

Dated: March 26, 2002

TABLE OF CONTENTS

Section		Page
Introduction		1
1.	Price Changes	1
2.	Incorporation of Plan	1
3.	Definitions	1
4.	No Material Changes	1
5.	Extension of Plan	1

Exhibit

A - Schedule of New Purchase Prices

SECOND AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

INTRODUCTION

This Second Amendment modifies and supplements the terms of the Condominium Offering Plan for the premises known as the 150 Nassau Condominium ("Condominium") located at 150 Nassau Street, New York, New York ("Building"), dated October 30, 2001 ("Plan"), and should be read in conjunction with the Plan, as previously amended.

The terms of this Second Amendment are as follows:

1. PRICE CHANGES

Annexed to this Amendment as Exhibit "A" is a revised Section of the Plan entitled "Schedule A – Purchase Prices and Related Information" which reflects the current purchase prices for the Unsold Units being offered for sale.

2. INCORPORATION OF PLAN

The Plan, as modified and supplemented by this Amendment, is incorporated herein by reference with the same effect as if set forth at length.

3. DEFINITIONS

Any term used in this Amendment not otherwise defined herein shall have the same meaning ascribed to it in the Plan.

4. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes of facts or circumstances affecting the Property or the offering.

5. EXTENSION OF PLAN

The Plan, as modified and supplemented by this Amendment, may not be used after twelve (12) months following the Filing Date of this Amendment unless the Plan is extended or amended. Notwithstanding the foregoing, if this Amendment is limited solely to price changes, this Amendment does not extend the Plan.

SPONSOR:
2 SPRUCE STREET, LLC

EXHIBIT "A"

SCHEDULE A PURCHASE PRICES AND RELATED INFORMATION

Notes to Schedule A

(1) The room count for each Residential Unit was determined in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York, Inc. Floor Plans for each Unit should be inspected to determine actual dimensions, layout and physical condition prior to Purchasing. The Penthouse has two private roof-top terraces which are denoted as Limited Residential Common Elements.

(2) The square foot area and dimensions of the Units listed in Schedule A, the Declaration or the Floor Plans are approximate and may vary and were obtained by using the method customarily used in New York City to measure new condominium apartments. Estimated dimensions and floor area shown on Schedule A will exceed the Unit's useable floor area. Any Common Elements located within a Unit shall not be considered a part of such Unit.

The actual dimensions, configuration and fenestration (collectively, "unit layout") of a Unit may vary from its Floor Plan due to: (a) changes required by the Buildings Department or other government authorities having jurisdiction; (b) site or other construction conditions; (c) normal construction allowances and variances; and (d) varied masonry bearing wall thicknesses. Purchasers will not be excused from their obligations under the Purchase Agreement: (a) in the event of minor inaccuracies in a Unit's size (a diminution of size of less than 5%, exclusive of interior partitions) or (b) if the Unit is sufficiently completed (with boundary walls and interior partitions installed) and available for inspection before a Purchase Agreement is executed, in which case the unit layout as actually constructed shall supercede and govern any variation, substantial or otherwise, from any and all Floor Plans, drawings and diagrams.

(3) The Purchase Prices and other terms of sale (as more fully set forth in the Section of the Plan entitled "Changes in Prices and Units") of Units may be negotiated by Sponsor and, therefore, may be changed. Accordingly, Purchasers may pay different Purchase Prices for similar Units. The effect of this, as well as the right of Sponsor to change Purchase Prices, is more particularly discussed in the Section of the Plan entitled "Changes in Prices and Units." In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section of the Plan entitled "Closing Costs and Adjustments." If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Unit at the time of Closing. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

(4) (a) The percentage interest of each Unit (the Commercial Units and the Residential Units) in the Common Elements is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit, in accordance with the provisions of Section 339-i (1)(iv) of the Condominium Act.

(b) The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interests of all of the Residential Units in the Condominium.

(5) The estimated monthly Common Charges for each Unit are based on the Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the first year of Condominium operation will be the year from September 1, 2002 through August 31, 2003. The actual first year of Condominium operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on his Unit, mortgage payments under a loan, if any, obtained to finance the purchase of his Unit, the cost of electricity supplied to his Unit which will be separately metered and payable directly to the utility company, the cost of any insurance which he may wish to obtain for his Unit (and which Sponsor strongly urges each Unit Owner to obtain) and the cost of interior repairs and decorations to his Unit. See the Section of the Plan entitled "Schedule B-1 - Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Units.

As discussed in the Section of the Plan entitled "Description of Property and Improvements" Subsection "Services and Facilities", the full range of services and facilities described in the Plan may not be provided until such time as Sponsor has conveyed title to 40% of the Residential Units.

A Purchaser of a Unit will be required to make a contribution at the Closing of Title to his Unit to the Working Capital Fund of the Building. The contribution shall be in an amount equal to 2 months' Common Charges in effect at the time of the Closing of such Unit. It is anticipated that occupancy turnover in the Reserved Unit will be greater than the Residential Units. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details.)

(6) For landmark buildings converted to residential use under the Section 421-g program, the increase in assessed value attributable exclusively to the improvement in the property's physical plant is exempted from real estate taxation (other than special assessments for local improvements) for 13 years. Year 1 through 9, 100% of the tax value attributable to physical increases are exempt, commencing in year 10, the exemption benefits are phased out at 20% per year.

The aggregate real estate taxes during the first year of Condominium operation are expected to be approximately $314,626 with the abatement in place. This amount is based on a projected tax rate of 10% of assessed valuation (based on current commercial use), based on the $3,195,000 pre-construction assessed valuation of the Property for the fiscal tax year 2002-2003. The $11,867,000 post-construction assessed valuation of the Property for the fiscal tax year 2003-2004 will be of no impact as the Section 421-g program exempts the total increased assessed value due to the construction and abates the remainder of the taxes that would be due with respect to the last 2 months of that same fiscal year.

The Sponsor will apply for a Preliminary Certificate of Eligibility for partial tax exemption from the New York City Department of Housing Preservation and Development. It is expected that a permanent Certificate of Occupancy for the entire Building, or a temporary Certificate of Occupancy for all residential areas of the Building will be obtained prior to January 5, 2003 (the taxable status date for the 2003-2004 fiscal year) and that the 13-year period will begin with the 2003-2004 fiscal year. The estimated tax is based on the assumption that the partial exemption will be in effect for the first year of Condominium operation, and that there will not be any change in the taxable status of the Property. No warranty or guarantee is made as to the amount of any tax exemption that will actually be received. In addition, no warranty or guarantee is made that the actual assessed valuation or the assessed valuation for the Property if Section 421-g benefits are granted will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the first year of Condominium operation or the real estate

taxes will be allocated among Units in proportion to the appurtenant Common Interests. In no event will Sponsor, Sponsor's Counsel, Sponsor's Special Tax counsel, the Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind his Purchase Agreement, in the event Section 421-g benefits are not granted or, if granted, in the event the amount of such exemption and the resulting taxes differ from those projected.

If for any reason the aforesaid tax exemption and abatement under Section 421-g is not granted, it is estimated that the aggregate real estate taxes payable with respect to all Residential Units for the first year of Condominium operation will total approximately $650,201.66, assuming (a) an assessed valuation of the Property of $11,867,000 (assuming 35% construction completion as of the taxable status date of January 5, 2002), and (b) a tax rate of 10% for the first 10 months and 10.847% (residential rate) for the remaining 2 months of the First Year.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as a single entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Office of the City Registrar. The apportionment will be based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the project and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. (See the "Attorney's Income Tax Opinion" and the "Attorney's 421-g Real Estate Tax Benefits Opinion" for further details.)

(7) These figures represent the aggregate estimated monthly carrying charges which include estimated Common Charges and estimated real estate taxes. Reference should be made to note (5) of these Notes for certain other "home ownership" costs that may be incurred by Unit Owners.

FIRST AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

150 NASSAU STREET CONDOMINIUM

150 NASSAU STREET
NEW YORK, NEW YORK

Dated: February 15, 2002

TABLE OF CONTENTS

Section		Page
INTRODUCTION		1
1.	ESCROW BANK	1
2.	CLOSING ADJUSTMENTS	1
3.	INITIAL CONTROL BY SPONSOR	3
4.	USE OF UNITS	3
5.	COMMUNICATIONS EASEMENTS	3
6.	ELECTRICITY	4
7.	OFFER OF COMMERCIAL UNITS	5
8.	INCORPORATION OF PLAN	5
9.	DEFINITIONS	5
10.	NO MATERIAL CHANGES	5

FIRST AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

INTRODUCTION

This First Amendment modifies and supplements the terms of the Condominium Offering Plan for the premises known as the 150 Nassau Street Condominium ("Condominium") located at 150 Nassau Street, New York, New York 10021 dated October 30, 2001 ("Plan"), and should be read in conjunction with the Offering Plan.

The terms of this First Amendment are as follows:

1. ESCROW AND TRUST FUND REQUIREMENTS

The section of the Plan entitled "Escrow and Trust Fund Requirements" beginning on page 57 of the Plan is hereby amended to provide that the Master Escrow Account entitled "Greenstein Starr Gerstein & Rinaldi LLP, Attorney Trust Account" will be maintained at The Merchants Bank of New York at 275 Madison Avenue, New York, New York 10016 ("Merchants") rather than at Berkshire Bank ("Berkshire") as originally disclosed. Any Purchaser's Deposits previously held in the Berkshire Master Escrow Account will be transferred into the Merchants Master Escrow Account within ten (10) business days of the date of this Amendment.

2. CLOSING ADJUSTMENTS

The subsection of the Plan entitled "Closing Adjustments" beginning on page 70 of the Plan is deleted in its entirety and the following is substituted in lieu thereof:

> "(i) Adjustments. At Closing, adjustments between Sponsor and each Purchaser will be made as of midnight of the day preceding the Closing Date with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, and future real estate taxes and assessments in accordance with the terms of the subsection below entitled "Real Estate Taxes"; (b) Common Charges and assessments for the month in which title closes; and (c) if

Purchaser is occupying a Unit pursuant to an interim lease or use and occupancy agreement, accrued rent and other charges.

(ii) Penalties. If a Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date ("Scheduled Closing Date"), (a) the closing adjustments described above will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to 0.05% of the purchase price of the Unit for each day starting from (and including) the originally Scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally Scheduled Closing Date, these provisions shall apply to any new Scheduled Closing Date.

(iii) Real Estate Taxes. In the event the Units have not been separately assessed for real estate tax purposes by the New York City Department of Finance ("Finance Department") prior to the First Closing, the obligation of the Condominium to pay real estate taxes to the Finance Department for the next ensuing tax period, without deduction or allowance for the real estate tax benefits (i.e., 421-g) not yet in place ("Future Taxes") shall be secured by Sponsor. At the First Closing, Sponsor shall deliver to Escrow Agent cash, a letter of credit or a surety bond ("Tax Security") in the amount of the Future Taxes. Escrow Agent shall hold the Tax Security in escrow for the benefit of the Condominium. At the First Closing and at each subsequent Closing prior to the date the Units are separately assessed and billed, Purchasers will be obligated to pay to Escrow Agent an amount equal to the Unit's pro-rata share of the Future Taxes (computed by multiplying the Common Interest of the Unit by the amount of the Future Taxes) ("Unit Tax Payment"). Unit Tax Payments will not be placed in an interest-bearing account by Escrow Agent. The Future Taxes shall be paid to the Finance Department by Sponsor or by Escrow Agent using the Tax Security, either at Sponsor's direction, or upon Sponsor's failure to make such payment. The Tax Security shall be released to Sponsor upon delivery to Escrow Agent of proof of payment of the Future Taxes from the Finance Department. At such time as the Future Taxes are paid, Escrow Agent shall release the Unit Tax Payments to Sponsor. If at the time the Future Taxes are paid, the amount of the Future Taxes is reduced by the Finance Department as a result of the implementation of real estate tax benefits, Escrow Agent shall make appropriate refunds to Sponsor and Purchasers who deposited Unit Tax Payments with Escrow Agent. In the event the Units are separately assessed and individual tax bills are issued by the Finance Department prior to the date the Future Taxes are due, Escrow Agent shall release the Tax Security to Sponsor and the Unit Tax Payments to the appropriate Purchasers. In such event, Sponsor and Purchasers who closed title on Units will be responsible for paying their respective tax bills directly to the Finance Department. If an actual payment to the Finance Department is reduced as a result of the implementation of real estate tax benefits, Escrow Agent or Sponsor shall make appropriate refunds to the parties.

With respect to subsequent Future Taxes, until the Units are separately assessed and individual tax bills are issued, the Condominium Board, within 45 days of the date such subsequent Future Taxes are due, shall collect a Unit Tax Payment from each Unit Owner with respect to such Unit Owner's Unit which Unit Tax Payment shall constitute additional Common Charges. Unit Tax Payments assessed against Unit Owners shall be

payable within 5 days of the date billed. If any Unit Owner fails to make the Unit Tax Payment as set forth above, the Condominium will have a lien on the Unit for non-payment in the same manner as Common Charges (see the Section of the Plan entitled "Rights and Obligations of Unit Owners", subsection "Common Charges: Collection and Lien for Non-Payment" for further details).

Illustration. By way of illustration only, a Purchaser closing on a Unit in the middle of November (prior to separate assessment and individual billing of real estate taxes) is obligated to: (a) adjust with Sponsor for the first-half real estate taxes (July 1 to December 31) paid by Sponsor in July for the period from Closing through December 31; and (b) deliver to Escrow Agent a Unit Tax Payment for the second-half Future Taxes (January 1 to June 30). If the Units are not separately assessed and individual tax bills issued at least 45 days prior to July 1st, the Condominium will have the obligation to collect from each Unit Owner a Unit Tax Payment for first-half real estate taxes (July 1 to December 31) and pay such real estate taxes directly to the Finance Department.

(iv) Other Costs. Except as specifically set forth in the Plan, Sponsor will pay all costs and expenses incurred in connection with the promulgation and consummation of the Plan and the sale of Units by Sponsor, including, but not limited to, all selling expenses and commissions payable to Selling Agent, advertising, printing and architects' fees, the fees of Sponsor's attorneys, engineering and appraisal costs and governmental filing fees, whether incurred prior or subsequent to the effective date of the Plan, in connection with the obligations of Sponsor. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)"

3. INITIAL CONTROL BY SPONSOR

The 3rd paragraph of the section of the Plan entitled "Control by Sponsor" (beginning on page 80) and the definition of "Initial Control Period" set forth as Exhibit C to the Declaration (at page 260) are hereby corrected to read as follows:

"Sponsor will control the Condominium Board until the earlier to occur of (i) the closing of Title with Purchasers under the Plan to Units having at least 90% of the aggregate Common Interest appertaining to all Residential Units or (ii) 3 years after the First Closing ("Initial Control Period")."

4. USE OF UNITS

(i) Special Risk 21 (on page 4) is amended as follows:

On the 10th line, delete "the Condominium Board" and insert "Law" in lieu thereof.

(ii) Section 5.7 (B) of the By-Laws (beginning on page 295) is amended as follows:

At end of subsection, after "Residential Unit", insert "for any period of time".

5. COMMUNICATIONS EASEMENTS

(i) The section of the Plan entitled "Rights and Obligations of the Condominium Board – Summary of By-Laws" (beginning on page 95) is amended as follows:

- In the 2nd sentence after "restore and replace", insert "Common Elements".

- At the end of the 2nd sentence, insert the following:

"Sponsor shall have an easement to erect, use, lease, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment, as permitted by Law on the roof and façade of the Building and elsewhere on the Common Elements, which shall entitle Sponsor to utilize such easement for its own account or the account of any licensee or permitee of Sponsor for the purposes of servicing the Condominium or any other building or area."

(ii) Article 11 of the Declaration (beginning at page 242) is amended as follows:

The existing subsection 11.5 and following subsections are renumbered 11.6, etc. Insert a new subsection 11.5 to read:

"11.5 Sponsor shall have an exclusive easement for so long as the Condominium shall remain in existence to erect, use, lease, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment on any part of the roof and/or facade of the Building without the consent of, or charge by, the Condominium Board or any other Unit Owners. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to the roof and/or Building façade shall be the obligation solely of Sponsor and not of the Condominium, and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of Sponsor and not of the Condominium or of other Unit Owners. In connection with such easements and related rights, Sponsor and its respective tenants and licensees shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall each be subject to such easement."

6. ELECTRICITY

Article 5, Section 5.14 of the By-Laws, entitled "Record and Audits" (on page 299) is renumbered as Section 5.15 and a new Section 5. 14 is inserted to read:

"Section 5.14 Electricity.

Electricity for each Residential and Commercial Unit (including for tenants occupying portions of the Commercial Units) shall be separately metered or submetered for each Unit (or portion thereof). Each Unit Owner shall be required to pay the bills for electricity consumed or used in such Unit Owner's Unit (or portion thereof) and the Limited Residential Common Elements to which such Residential Unit has exclusive access, directly to the utility company as directed by the Condominium Board except that in the event that the Residential Units or Commercial Units are submetered, such Unit Owner shall be required to pay bills for electricity consumed or used in such Unit Owner's Unit either to the Condominium Board or to the utility company or company engaged by the

Condominium Board to perform such services as directed by such Board. The Common Expenses shall include fees for administering and servicing the submeters. In the event that a Unit Owner fails to pay for its submetered electricity, the Condominium Board shall be obligated therefore and such electricity charges shall be deemed Common Charges allocable to the defaulting Unit Owner for which the Condominium Board shall have a lien as provided in Article 6 of these By-laws. Electricity for the Residential Common Elements shall be supplied through one or more separate meters therefore and the cost thereof will be paid by the Condominium Board and will be borne by the Residential Unit Owners as Residential Common Charges."

7. OFFER OF COMMERCIAL UNITS

Sponsor hereby amends the Plan to offer for sale on behalf of Property Owner, the Reserved Unit at a purchase price of $29,000,000 and the Garage Unit at a purchase price of $3,200,000. With respect to each Commercial Unit, all terms of sale are freely negotiable and will be based on arms length negotiations without resort to the form of Purchase Agreement contained in Part II of the Plan.

8. INCORPORATION OF PLAN

The Plan, as modified and supplemented by this Amendment, is incorporated herein by reference with the same effect as if set forth at length.

9. DEFINITIONS

Any term used in this Amendment not otherwise defined herein shall have the same meaning ascribed to it in the Plan.

10. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes of facts or circumstances affecting the Property or the offering.

SPONSOR:

2 SPRUCE STREET LLC

TABLE OF CONTENTS

PART I

SPECIAL RISKS 1
INTRODUCTION 6
DEFINITIONS 11
DESCRIPTION OF PROPERTY AND IMPROVEMENTS 16
LOCATION AND AREA INFORMATION 21
SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION 23
SCHEDULE B – FIRST YEAR'S BUDGET 31
SCHEDULE B-1 – PROJECTED INDIVIDUAL ENERGY COSTS BUDGET 43
COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i AND OPINION OF COUNSEL 47
CHANGES IN PRICES AND UNITS 51
PROCEDURE TO PURCHASE 53
ESCROW AND TRUST FUND REQUIREMENTS 57
ASSIGNMENT OF PURCHASE AGREEMENTS 62
EFFECTIVE DATE 63
CLOSING OF TITLE TO UNITS 64
CLOSING COSTS AND ADJUSTMENTS 66
RIGHTS AND OBLIGATIONS OF SPONSOR 72
CONTROL BY SPONSOR 80
CONDOMINIUM BOARD 82
RIGHTS AND OBLIGATIONS OF UNIT OWNERS 83
RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM BOARD/SUMMARY OF BY-LAWS 91
INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM 97
ANTICIPATED REAL ESTATE TAX EXEMPTION BENEFITS 99
WORKING CAPITAL FUND AND APPORTIONMENTS 100
AGREEMENTS AFFECTING BUILDING OPERATIONS 102
IDENTITY OF PARTIES 104
REPORTS TO UNIT OWNERS 107
DOCUMENTS ON FILE 107
GENERAL 108
SPONSOR'S STATEMENT OF BUILDING CONDITION 109

TABLE OF CONTENTS

PART II

DESCRIPTION OF PROPERTY AND BUILDING CONDITION 113

FLOOR PLANS 145

PURCHASE AGREEMENT 199

UNIT DEED 223

DECLARATION OF CONDOMINIUM 229

BY-LAWS OF CONDOMINIUM 263

UNIT OWNER'S POWER OF ATTORNEY 321

ATTORNEY'S INCOME TAX OPINION 325

ATTORNEY'S 421-G REAL ESTATE TAX BENEFITS OPINION 333

UNIT OWNER'S SPECIMEN TITLE POLICY 339

FORM W-8 347

FORM W-9 351

APPLICATION TO ATTORNEY GENERAL FOR DETERMINATION OF THE DISPOSITION OF DOWNPAYMENTS 355

ESCROW AGREEMENT 363

CERTIFICATION OF SPONSOR AND PRINCIPALS 373

CERTIFICATION OF ARCHITECT 377

CERTIFICATION OF BUDGET EXPERT 381

CERTIFICATION OF BUDGET EXPERT CONCERNING ADEQUACY OF PROJECTED ANNUAL ELECTRICITY COST (SCHEDULE B-1) 385

CERTIFICATION OF BUDGET EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNERS 389

REAL PROPERTY LAW SECTION 339-KK 393

PART I

CONDOMINIUM OFFERING PLAN

150 NASSAU CONDOMINIUM
150 NASSAU STREET
NEW YORK, NEW YORK 10038

SPECIAL RISKS

1. **THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES AND MAY BE ONE OF THE MOST IMPORTANT FINANCIAL TRANSACTIONS OF YOUR LIFE. THE ATTORNEY GENERAL OF THE STATE OF NEW YORK STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT TO PURCHASE A CONDOMINIUM UNIT.**

2. At the time a Purchase Agreement is executed, a Purchaser is required to make an initial Deposit in an amount equal to 10% of the Purchase Price, and within 9 months after receipt of the executed Purchase Agreement from Sponsor or upon the Plan being declared effective, whichever is earlier, an additional Deposit equal to 10% of the Purchase Price. If a Purchaser fails to pay the additional Deposit and/or defaults under his Purchase Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within 30 days after Sponsor gives notice to the Purchaser of such default, Sponsor may, at its option, either (i) cancel such Purchase Agreement and retain, as liquidated damages, the entire Deposit, (initial and additional) together with interest earned thereon, if any, or (ii) bring an action against such Purchaser for specific performance, in which event Purchaser could be compelled to complete the transaction (See the Section of the Plan entitled "Procedure to Purchaser" for further details).

3. If a Purchaser makes a Deposit in excess of $100,000 for the purchase of a Unit, the amount in excess of $100,000 will not be federally insured. Additionally, while the Deposit is in the non-interest bearing position of the Master Escrow Account, the Deposit may not be federally insured even if the Deposit does not exceed $100,000.

4. Purchasers will earn no interest on Deposits that are withdrawn from the Escrow Account (from the date of such withdrawal) and secured by a Letter of Credit. (See the Sections of the Plan entitled "Procedure to Purchase" and "Escrow and Trust Fund Requirements and Alternate Security" for further details).

5. **Time is of the Essence** as to Purchaser's obligations pursuant to the Purchase Agreement, including, without limitation, for the payment of all deposits and the balance of the Purchase Price. If a Purchaser fails for any reason to close title to his Unit on the originally scheduled date of closing ("Scheduled Closing Date") and Sponsor elects not to cancel the Purchaser's Purchase Agreement as a result of the same, (a) the apportionments to be made at the Closing will be made as of midnight of the day preceding the Scheduled Closing Date, and not as of midnight of the day preceding the actual date of closing ("Actual Closing Date"), and (b) the Purchaser will be required to pay to Sponsor an amount equal to .05% of the Purchase Price of his Unit per day commencing with the Scheduled Closing Date through the Actual Closing Date. (See the Section of the Plan entitled "Procedure to Purchase" for further details).

6. The Reserved Unit is the Unit in the Building which will contain a separate lobby, separate elevators and 80 apartments (comprising floors 2 through 9) which are intended for use either as corporate rental apartments and/or office space. The Reserved Unit is not being offered for sale under this Plan. (See the Section of the Plan entitled "Introduction" for further details.)

7. The Reserved Unit Owner will lease an unspecified apartment in the Reserved Unit, on behalf of all Unit Owners as a residence for the Resident Manager. The monthly rent for the Resident Manager is currently anticipated to be $5,000 payable by the Condominium from the Common Charges as a Common Expense. The Condominium intends to enter into a one-year lease with respect to the

Resident Manager's apartment renewable at market rates for successive one-year terms. Nothing herein shall be construed to guarantee that an apartment will be available for lease by the Condominium beyond the First Year or as to the expense of such lease beyond such First Year. Under the Housing Maintenance Code of the New York City Administrative Code, a Resident Manager must live in the Building or within 200 feet or one block of the Building, whichever is greater or a person or agency must be hired to perform janitorial services on a 24-hour-a-day basis. (See the Sections of the Plan entitled "Description of Property and Improvements" and "Schedule B – First Year's Budget" for further details.)

8. A Purchaser may obtain financing from any lending institution or other source, but the Purchaser's obligation to purchase a Unit pursuant to a Purchase Agreement shall not be contingent on the Purchaser obtaining such financing, so that a Purchaser will remain obligated under the Purchase Agreement whether or not such Purchaser has been able to obtain financing. Neither Sponsor nor Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers should be aware that even if a loan commitment is obtained, its terms may be limited, and it could expire before the closing date. (See the Section of the Plan entitled "Procedure to Purchase" for further details.)

9. As is customary in new construction luxury condominium offerings, Purchasers will be required to pay at the closing to their Units all New York City Real Property Transfer Taxes, New York State Real Estate Transfer Taxes, which by Law are the primary obligation of the Sponsor. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. In addition, where the consideration for a Unit is $1,000,000 or more, the Purchaser shall be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law ("Mansion Tax"). Currently the Mansion Tax is 1% of the consideration paid; by law, such tax is the primary obligation of the Purchaser. Additionally, Purchasers shall be obligated to pay various other closing costs, fees and adjustments. (See the Section of the Plan entitled "Closing Costs and Adjustments" for further details.)

10. Sponsor has elected not to provide for any reserve fund for capital replacements or repairs, because the interior of the Building, upon completion of the gut renovation/construction, will be of substantially new systems and construction. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by special assessment or by increases in Common Charges. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details).

11. A Purchaser of a Residential Unit shall be required to make a contribution at the Closing of Title to his Unit to the Working Capital Fund of the Building. Such contribution shall be in an amount equal to 2 month's Common Charges in effect for such Unit. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details.)

12. Purchasers will be required to expressly waive any and all immunity from suit by Sponsor and/or the Condominium Board. In addition, any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at the time of closing of title to the Purchaser's Unit, to deposit with the Condominium Board an amount equal to 2 years' Common Charges in effect for such Unit. This deposit shall be in addition to the contribution to the Working Capital Fund. (See the Section of the Plan entitled "Closing Costs and Adjustments" for further details.)

13. Pursuant to Section 421-g of the New York Real Property Tax Law, Sponsor will apply for real property tax exemption and abatement benefits available to eligible non-residential properties that are converted to residential use. Such exemption, if granted, will exempt the increase in assessed value

attributable exclusively to the Property's physical improvement and provide a 100% exemption on the increased real estate taxes which would otherwise be due for 9 years. In addition, the remainder of the assessed value in the first tax year following issuance of a Certificate of Eligibility multiplied by the Real Estate Tax Rate of that year will be the basis for an annual abatement credit on the balance of the real estate taxes which would otherwise be due for 11 years. The abatement will decrease progressively during years 12-15. The exemption will decrease progressively during years 10-13. If for any reason the aforementioned Certificate of Eligibility is not granted, there will be no exemption from real estate taxes on the Residential Units. Neither Sponsor, Sponsor's Counsel, Sponsor's Special Counsel, Selling Agent, Managing Agent or any other person makes any warranty that any exemption from real estate taxes under Section 421-g will be granted or as to the amount, if any, of the tax that will be assessed against the Units or the amount of real estate taxes payable at any time by any Unit Owner. (See the Section of the Plan entitled "Anticipated Tax Exemption Benefits", and "Special Counsel's 421-g Real Estate Tax Exemption Benefits Opinion" set forth in Part II of the Plan, for further details.)

14. At the First Closing, certain apportionments will be made between the Sponsor and the Condominium. If the result of the closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be deferred and paid to Sponsor by the Condominium in a single installment on the first anniversary of the First Closing, pursuant to an unsecured, negotiable, non-interest bearing promissory note to be executed by the Condominium Board and delivered to Sponsor at the First Closing. Such promissory note may be prepaid by the Condominium in full at any time, or in part from time to time, without penalty. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details.)

15. Sponsor will control the Condominium Board until the earlier of: (i) the Closing of Title with Purchasers under the Plan to Residential Units having more than 90% of the aggregate Common Interests appertaining to all Residential Units, or (ii) 3 years after the First Closing ("Initial Control Period").

16. After the Initial Control Period, Sponsor, as owner of Unsold Residential Units shall have the right to designate 1 member of the Condominium Board for so long as Sponsor owns at least 1 Unsold Residential Unit.

17. During the period that Sponsor controls the Condominium Board, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners. (See the Section of the Plan entitled "Control By Sponsor" for further details).

18. So long as Unsold Residential Units represent at least 25% of the aggregate Common Interests appertaining to all Residential Units, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements, unless the same are required by Law; (b) assess any Common Charges or Special Assessments for the creation of, addition to, or replacement of, all or part of a working capital, reserve, contingency or surplus fund; (c) increase or decrease the number, or change the kind of, employees initially employed for the Condominium; (d) enter into any service or maintenance contract for work or otherwise provide services in excess of those initially contracted for the Condominium, except as is required to reflect normal annual increases in operating services; (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board to comply with Law, remedy any notice of violation or remedy any work

order of the Condominium's insurer (See the Section of the Plan entitled "Control By Sponsor" for further details).

19. No amendment, modification, addition, or deletion of the Declaration, By-Laws or any Rules and Regulations (other than those required by Law) shall be effective (a) against Sponsor or its designees or any Unsold Residential Unit unless Sponsor, the affected designee or Unsold Unit Owner has given its written consent thereto, or (b) to modify the permitted uses of a Commercial Unit or to adversely affect any such Unit's Owner unless the affected Unit Owner has given its prior written consent thereto. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for further details.)

20. Each Unsold Residential Unit or Commercial Unit may be subdivided by the Sponsor or any subsequent Commercial Unit Owner, as the case may be into two or more separate Units (of the same type) without prior notice. Such Units may be offered for sale at any time by a duly filed amendment to the Plan and the Declaration when applicable.

21. No representation is made with respect to who the tenants of any portion of any of the Commercial Units or the Unsold Residential Units may be at any time or as to the uses to which any portion of the Commercial Units or the Unsold Residential Units may be put at any time except that the Commercial Units or the Unsold Residential Units may be used for any lawful purpose including, with respect to the Retail Units, without limitation, retail stores, banks, restaurants, theaters, bars and commercial and professional office space, and with respect to the Reserved Unit, including, without limitation, extended-stay or corporate rental apartments, and no assurance, representation, or warranty is given that such tenants, occupants, or uses will not be objectionable to Residential Unit Owners or other parties. Such uses shall be subject to compliance with the applicable provisions of the Declaration, By-Laws and any other requirement of the Condominium Board. Nothing herein shall guarantee that the Garage Unit continuously be operated as a parking facility.

22. The signing of the Purchase Agreement signifies the Purchaser's acceptance of the condition of the Property as represented by Sponsor in the Plan. Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Residential Units or the Facilities, except as may otherwise be set forth in the Plan. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details).

23. No bond or other security has been posted by Sponsor to secure its obligations under the Plan. The ability of Sponsor to perform its obligations under the Plan will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details).

24. Prospective Purchasers are advised that until such time as Sponsor has conveyed title to 40% of the Residential Units, some of the services and facilities described in the Plan (such as a full staff of building personnel) may not be available. However, at all times during this period, the Residential lobby will be attended 24 hours a day, 7 days a week and the interim level of staffing will be adequate to maintain the Building (See the Section of the Plan entitled "Description of Property and Improvements" for further details.)

25. The Building is denoted as "The American Tract Society Building", and designated as an Individual Landmark by the New York City Landmarks Preservation Commission ("Landmarks Commission"). As a result of such designation, no alterations may be made to the façade of the Building which are visible from the street, without the consent of the Landmarks Commission. The renovationof the Building, as described in the Plan has been approved by the Landmarks Commission.

26. Lot line windows are windows located on an exterior wall abutting (or less than 30' away from) a property line, where the adjacent property is owned by others. While such windows provide views, light and air to spaces within, they cannot be utilized to meet light and ventilation required by the Building Code of the City of New York. The benefits of such lot line windows may potentially be lost. In accordance with the applicable section of the Building Code, only lot line windows that are sprinklered, may be constructed. Lot line windows exist from floor 2 through 20 along the eastern most lot line wall as well as on floors 17 to 20 along the southern most lot line wall.

Although the applicable zoning laws, codes, rules and regulations governing lot line windows may change in the future, based upon advice from Sponsor's Architect, it is Sponsor's opinion that the lot line windows in the Condominium will not have to be sealed off. Neither the Sponsor nor the Condominium Board will have any liability or obligation if any or all lot line windows are ever required to be sealed. In the event such lot line windows are sealed, the floor plans will be amended to disclose such change. (See the Section of the Plan entitled "Description of Property and Building Condition" for further details.)

27. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each member of the Condominium Board against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

28. Pursuant to existing law and regulations, Sponsor may declare the Plan effective by entering into purchase agreements for the sale of a minimum of 15% of the Residential Units in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to convert the Building with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Unit. (See the Section of the Plan entitled "Effective Date" for further details).

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Such restrictions include requiring that a certain percentage (such as 35% or 50%) of the units in a building be sold before the lender will consider making a loan. Thus it may be possible for a Purchaser to experience difficulty obtaining a loan in a building where the percentage of units purchased is lower than a lender's particular sales minimum.

Even once a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell a unit if prospective buyers are unable to obtain a loan due to such minimum sales requirements.

INTRODUCTION

Nature of the Transaction

The building at 150 Nassau Street, New York, New York, ("Building") and the land on which the Building stands (the Land, Building and the appurtenances thereto as collectively referred to as the "Property") are owned by 150 Nassau Associates LLC ("Property Owner"). Property Owner has entered into an agreement ("Contract of Sale") with 2 Spruce Street LLC ("Sponsor") pursuant to which, Property Owner is obligated (i) upon the direction of Sponsor and at Sponsor's sole cost and expense, to construct the Property; (ii) to submit the Property to the provisions of Article 9-B of the Real Property Law of the State of New York ("Condominium Act"), thereby establishing the 150 Nassau Condominium ("Condominium"), which is to consist of 45 Residential Units ("Residential Units"), a Reserved Unit, a Garage Unit and a Retail Unit (collectively "Commercial Units"); and (iii) at Sponsor's direction to convey the Residential Units to Sponsor or at Sponsor's direction to Purchasers on behalf of Sponsor. The Contract of Sale provides that Property Owner will record a Declaration of Condominium ("Declaration") for a single residential unit and the Commercial Units and soon thereafter, prior to the Closing of Residential Units to Purchasers, Property Owner will amend and restate the Declaration to subdivide the single residential unit into 45 Residential Units. These Residential Units are the subject of this Offering Plan ("Plan").

Sponsor, as contract vendee, hereby presents this offering plan ("Plan") with respect to the offer of the Residential Units in the Condominium.

The Condominium Offering Plan

The purpose of the Plan is to set forth in detail all material facts relating to the offering of the Residential Units in the Condominium by Sponsor.

Sponsor may from time to time amend the Plan by filing an amendment with the New York State Department of Law ("Department of Law") and serving such amendment on prospective Purchasers and contract vendees.

The Plan is presented in two parts, which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains the documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed description of the Property, legal opinions as to certain tax matters discussed in the Plan, certifications of Sponsor and of certain experts. Copies of the Plan, including all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan will be available for inspection by prospective Purchasers and their attorneys without charge. The Exhibits will be available to prospective Purchasers for copying at a reasonable charge at the sales office. All of these documents are important and should be carefully read by prospective Purchasers. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. A prospective Purchaser may obtain the Plan upon payment of a $150 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition within 14 days, or (ii) the execution by the prospective Purchaser of a Purchase Agreement subsequently accepted by Sponsor.

All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Definitions", unless otherwise defined.

The Property

Based upon the current construction schedule, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to

obtain materials, governmental restrictions, or other events reasonably beyond its control, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about September 1, 2002. Prospective purchasers should note, however, that the Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for the Unit or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Unit is delayed or postponed by Sponsor. In the event the actual or anticipated commencement date of the first year of Condominium operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if (i) Unit Owner's monthly Common Charges in the amended budget exceed those in the latest projected budget set forth in the Plan by 25% or more, or (ii) the First Closing does not occur within 12 months after September 1, 2002 the date set forth in Schedule B as the commencement date for the first year of Condominium operation, then in either case, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within not less than 15 days after the Presentation Date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Deposits and any interest accrued thereon returned.

Sponsor reserves the right to change the number of Units from time to time by subdividing and/or combining Units, even after the Condominium is created, unless a binding Purchase Agreement for such Unit has been entered into and the Purchaser does not consent to such change. (See the Section of the Plan entitled "Changes in Prices and Units" for further details.)

A detailed description of the Property is contained in the Section of the Plan entitled "Description of the Property and Improvements" and in the "Description of Property and Building Condition" set forth in Part II of the Plan.

Offering of Units for Sale

Sponsor hereby offers 45 Residential Units located on floors 10 through 22 ("Offered Units") for sale under the Plan. The prices for each of the Residential Units are listed in the Section of the Plan entitled "Schedule A – Purchase Prices and Related Information" ("Schedule A"). THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Sponsor reserves the right to offer Residential Units in such order of priority as it may determine, and to withhold one or more units for future sale or lease. Sponsor has the right to limit the number of Residential Units sold to any Purchaser and to make bulk sales of Units.

In addition, Sponsor designates Property Owner, or its designee, to amend the Plan from time to time to offer one or more of the Commercial Units.

Features of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a private home in the case of a Residential Unit, and a commercial building in the case of a Commercial Unit. Each Unit Owner owns fee title to his Unit and is entitled to the exclusive possession thereof. Each Unit Owner also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements. The Common Elements are comprised of: (i) portions of the Property serving and benefiting all Units, generally, including, for example, the Land upon which the Building stands, the roofs, exterior walls, foundations, supports and mechanical systems of the Building, these Common Elements being more specifically designated as "General Common Elements", (ii) portions of the Building serving and benefiting the Residential Units, exclusively, including for example, the residential

lobby, the residential hallways, corridors, Shared terrace and elevators, these Common Elements being more specifically designated as "Residential Common Elements", and (iii) portions of the Building serving and benefiting certain Residential Units, exclusively, such as fireplace flues and portions of the terrace areas on the 21st and 22nd floors, these Common Elements being specifically designated as "Limited Residential Common Elements."

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage his Unit with such lender and in such amount as he chooses. However, Sponsor makes no representations about the financeability of any Unit. There are no limitations or restrictions upon the rights of Sponsor to mortgage Unsold Units. Each Unit is separate and will not be subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

A Unit Owner may decorate and construct the interior of his Unit in any way he desires, subject to compliance with the By-Laws, the Rules and Regulations and Law, and will be solely responsible for the cost of maintenance and interior repairs to his Unit after Closing. The Penthouse will enjoy exclusive use of appurtenant Terraces immediately accessible from the Unit. With respect to Limited Residential Common Elements, the responsibility for all normal maintenance, repairs and replacements thereto shall be borne by the Residential Unit Owner enjoying such private use. The Residential Units also have shared use of a terrace area on the 21st floor. The costs and expenses of normal maintenance, repairs or replacement of any structural or extraordinary repairs or replacements to the terrace shall be charged to all Residential Unit Owners as a Residential Common Expense. The costs and expenses of any structural or extraordinary repairs or replacements to any terrace (including any leaks not caused by the negligence of a responsible Residential Unit Owner with respect to a Limited Residential Common Element) shall be charged to all Residential Unit Owners as a Residential Common Expense. The type, size and quantity of plantings and other installations to be placed on terraces shall be subject to compliance with Law and the prior written approval of the Condominium Board.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and a Unit Owner will not be responsible for the payment of, nor will his Unit be subject to any lien arising from the non-payment of real estate taxes assessed against other Units. In the opinion of Special Tax counsel to Sponsor, which opinion is set forth in full in Part II of the Plan, a Residential Unit Owner who itemizes deductions may be eligible, under current law, to deduct from his income for income tax purposes, his real estate taxes and the interest paid on his mortgage, subject to certain exceptions and limitations discussed in the "Attorney's Income Tax Opinion" set forth in Part II of the Plan. (See also the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" for further details.)

With certain exceptions, any sale or lease of a Residential Unit will be subject to a right by the Condominium Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Residential Unit on the same terms as were offered to the owner of such Residential Unit. Sponsor and the Commercial Unit Owner(s) may sell or lease any of their respective Units without any such restriction or limitation. See the Section of the Plan entitled "Rights and Obligations of Unit Owners – Sales and Leases of Units" for further details.

The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized by Sponsor is Article 9-B of the Real Property Law of the State of New York, as amended, commonly known, and hereinafter referred to as the "Condominium Act". The Property will be submitted to the provisions of the Condominium Act by recording the Declaration by Sponsor, in the City Register's Office. From and after the date of recording the Declaration, Sponsor will be the owner of the Units until each is conveyed. The Condominium will comply with all statutes and regulations applicable to condominiums in the State of New York.

The cost of operating the Building will be borne entirely by the Unit Owners in accordance with the allocations set forth in the "Schedule B – Projected Budget for First Year of Condominium Operation". As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Unit Owners for Common Charges to meet Common Expenses. Each Unit Owner must pay Common Charges in accordance with Sections 339(i) and 339(m) of the Condominium Act. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners only. Common Charges will be assessed against Unit Owners in accordance with the Schedule B allocations. Residential Common Charges will be assessed against Residential Unit Owners in the same proportion that their respective Residential Units bears to the aggregate Common Interests of all Residential Units. The estimated Common Charges for each Unit for the first year of Condominium operation are set forth in Schedule A.

The undivided percentage interest of each Unit in the Common Elements ("Common Interest" of such Unit) has been determined upon the basis of floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

The Residential Common Interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interests of all of the Residential Units in the Condominium. Certain budgeted items (See the "Notes to Schedule B" for further details) are allocated between the Residential Units and the Commercial Units on a special basis which reflects actual benefit and/or use associated with that particular item of expense or exclusive control of particular Common Elements. The allocated Common Charges payable by the Commercial Units are sufficient to cover the expenses fairly attributable to the Commercial Units. Unit Owners will have no interest in any rents, net profits or revenues derived from the rental or use of any Unit owned by another. The aggregate Common Interest of all Units equals 100%. The aggregate Residential Common Interests of all Residential Units equals 100%. The percentage of Residential Common Interests are the basis for determining a Unit Owner's share of distribution upon termination of the Condominium with Unit Owners then sharing pro rata in the proceeds of the Condominium. Each Unit's Common Interest and Residential Common Interest, as applicable, and estimate of the Common Charges that will be payable by the owner of each Unit during the first year of Condominium operation of the Property subsequent to the First Closing are set forth in the Section of the Plan entitled "Schedule A – Purchase Prices of Units and Related Information".

After the closing of title to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, equipment and personal property situated within his Unit and its appurtenant Limited Common Elements, as well as liability insurance with respect to occurrences in or about the Unit and its appurtenant Limited Common Elements. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board" for further details.)

Each Purchaser of a Unit will be required to make a contribution to the Working Capital Fund of the Condominium. Such contribution, to be made at the time of Closing of the Unit, shall be in an amount equal to 2 month's Common Charges in effect at the time of closing for each Unit purchased. (See the Section of the Plan entitled "Working Capital Fund" for further details.)

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against such Unit Owner's Unit,

interest and amortization payments on the mortgage, if any, which such Unit Owner may, at his option, obtain, and charges for electricity consumed in such Unit Owner's Unit.

There are no limitations on who may purchase Units. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, an association, a trust or any other entity which is permitted to take title pursuant to New York law. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Condominium Board, any Unit Owner or mortgagee, to refuse to approve and execute Purchase Agreements for one or more Units to any person or entity. Sponsor shall not discriminate against any person because of his or her race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required deposit thereunder (see the Section of the Plan entitled "Procedure to Purchase" for further details). Sponsor will not accept an offer of purchase from an individual younger than 18 years of age or an incompetent under Law.

THE PURCHASE OF A CONDOMINIUM HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES AND MAY BE ONE OF THE MOST IMPORTANT FINANCIAL TRANSACTIONS OF YOUR LIFE. THE ATTORNEY GENERAL OF THE STATE OF NEW YORK STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING AN AGREEMENT TO PURCHASE A CONDOMINIUM.

DEFINITIONS

For convenience of presentation, general definitions of certain of the terms used in the Plan are set forth below, which definitions are subject in most cases to the more particular definitions of such terms set forth in the Declaration, the By-Laws and the Condominium Act. They include the following:

"Adverse Effect", or "adverse effect", as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Unit Owners, that such action or change could, if realized, (i) increase the Common Charges payable by such Unit Owner or Unit Owners, (ii) materially interfere with such Unit Owner's access to his Unit, (iii) obstruct or degrade the view from the windows of such Unit Owner's Unit or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of his Unit.

"Building" shall mean the Building known as 150 Nassau Condominium and located at 150 Nassau Street, New York, New York, in which the Units of the Condominium will be located.

"Buildings Department" shall mean the Department of Buildings of The City of New York or any successor agency.

"By-Laws" shall mean the By-Laws governing the operations of the Condominium, which are set forth as Exhibit D to the Declaration, as the same may be amended from time to time.

"Closing of Title" or "Closing" shall mean the date upon which, among other things, a Unit and its appurtenant Common Interest is conveyed to a Purchaser by the delivery by Sponsor to a Purchaser of a deed upon payment by a Purchaser to Sponsor of the balance of the Purchase Price for the Unit.

"Commercial Unit" shall mean either the Retail Unit, the Reserved Unit or the Garage Unit, which Units are more particularly described in the Declaration and in the Floor Plans together with their respective Common Interests. All such Units are collectively referred to as the "Commercial Units".

"Commercial Unit Owner" shall mean the Owner of each of a Commercial Unit at the time in question. All such Unit Owners are collectively referred to as the "Commercial Unit Owners".

"Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws or in the First Year's Budget) to meet the Common Expenses.

"Common Elements" shall mean the Property, other than the Units themselves, being comprised of the General Common Elements, Residential Common Elements and the Limited Residential Common Elements.

"Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve, or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); and (iii) generally, the conduct of the affairs of the Condominium. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners only.

"Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appurtenant to each Unit, as determined in accordance with the

Declaration. The total of all Common Interest percentages appurtenant to all Units equals 100%. The Common Interest attributable to each Unit is set forth on Exhibit B annexed to the Declaration.

"Condominium" shall mean 150 Nassau Condominium which was established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

"Condominium Act" shall mean the New York Condominium Act, as amended from time to time, and presently found in the New York Real Property Law, Article 9-B.

"Condominium Board" shall mean the board of managers of the Condominium who will manage the affairs of the Condominium.

"Declaration" shall mean the instrument creating the Condominium, as the same may be amended from time to time.

"Declarant" shall mean 150 Nassau Associates LLC or such other person or entity filing the Declaration.

"Deposit" shall mean all deposits, downpayments, advances or payments made by Purchasers prior to the closing of each individual transaction.

"Effective Date" shall mean the date upon which Sponsor has declared the Plan effective pursuant to the provisions of the General Business Law.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property.

"Filing Date" shall mean the date a letter is issued by the Department of Law accepting the Plan or an amendment to the Plan, as the case may be, for filing.

"First Closing" shall mean the Closing of Title with respect to the first Residential Unit to be conveyed to a Purchaser pursuant to the terms of the Plan.

"First Year's Budget" shall mean the Section of the Plan entitled "Schedule B - First Year's Budget". First Year's Budget is sometimes referred to herein as "Schedule B".

"Floor Plans" shall mean the floor plans of the Units certified by a professional engineer or licensed architect, filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

"Force Majeure" shall mean delays caused by weather, casualty, labor, difficulties, (including work stoppages and strikes), late delivery or inability to obtain materials, government restrictions or other events beyond Sponsor's reasonable control.

"Garage Unit" shall mean the Garage Unit in the Building which is not being offered for sale under this Plan and designated as the Garage Unit in the Declaration and the Floor Plans together with its Common Interest.

"General Common Elements" shall mean those certain portions of the Property (other than the Units), as well as those Facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in the Declaration.

"General Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the General Common Elements; or (ii) the establishment and/or maintenance of a general operating reserve fund for working capital, for replacements with respect to the General Common Elements.

"Initial Control Period" shall mean the period ending on the earlier of: (i) the closing of title with purchasers under the Plan to Residential Units having at least 90% of the aggregate Common Interest appertaining to all Residential Units, or (ii) 3 years after the First Closing.

"Land" shall mean the land located in Section 1 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York as Block 100, Lot 3 and more particularly described in Exhibit A to the Declaration.

"Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City, County and Borough governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public or quasi-public authorities having jurisdiction over the Property and/or the Condominium and/or the direction of any public officer pursuant to law which are applicable at the time in question.

"Limited Residential Common Elements" shall mean those portions of the Property (other than the Units, the General Common Elements and the Residential Common Elements) existing for the use and enjoyment of certain Residential Unit Owners or one or more specified Residential Units to the exclusion of all other Unit Owners, as more particularly described in the Declaration.

"Managing Agent" shall mean the managing agent or manager named in the Plan or any successor managing agent at the time in question.

"Permitted Encumbrances" shall mean those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly described on Schedule A annexed to the form of Purchase Agreement.

"Permitted Mortgage" shall mean a first mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws.

"Plans and Specifications" shall mean the Plans and specifications for the construction of the Building which (to the extent required by Law) have been or will be filed with the Department of Buildings and which may from time to time be amended in accordance with the provisions of the Plan.

"Presentation Date" shall mean the date on which the Plan or an amendment thereto, as the case may be, is personally delivered or the 5th day after mailing to prospective Purchasers and Unit Owners following acceptance of the Plan or an amendment thereto for filing with the Department of Law.

"Property" shall mean the Land, the Building (and any structures attached thereto), all the improvements erected or to be erected on the Land, all easements, rights and appurtenances pertaining thereto and all other property, real, personal, or mixed, used or intended to be used in connection therewith.

"Property Owner" shall mean 150 Nassau Associates LLC and its successors, assigns and designees.

"Purchase Agreement" shall mean the agreement to purchase a Unit the form of which is set forth in Part II of the Plan.

"Purchaser" shall mean a purchaser of a Unit under a Purchase Agreement.

"Register's Office" shall mean the New York County Office of the Register of The City of New York.

"Reserved Unit" shall mean the Reserved Unit in the Building which is not being offered for sale under this Plan and which is designated as the Reserved Unit in the Declaration and the Floor Plans together with its Common Interest.

"Reserved Unit Owner" shall mean the Owner of the Reserved Unit at the time in question.

"Residential Common Elements" shall mean those portions of the Common Elements which are available for common use by all Residential Unit Owners.

"Residential Common Expenses" shall mean all costs and expenses to be incurred generally by the Residential Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Residential Common Elements and/or the Limited Residential Common Elements; or (ii) the establishment and/or maintenance of an operating reserve fund for working capital, for replacements with respect to the Residential Common Elements and/or Limited Residential Common Elements.

"Residential Unit" shall mean any space designated as a Residential Unit in the Declaration together with its Common Interest and Residential Common Interest. All such Residential Units, are collectively, referred to as the "Residential Units".

"Residential Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interests are the basis for determining a Residential Unit Owner's liability for his share of the Residential Common Expense. The Residential Common Interest attributable to each Residential Unit is set forth on Exhibit B annexed to the Declaration.

"Retail Unit" shall mean the Retail Unit in the Building which is not being offered for sale under this Plan and which is designated as the Retail Unit in the Declaration and the Floor Plans together with its Common Interest.

"Rules and Regulations" shall mean the rules and regulations made in accordance with the By-Laws.

"Sales Office" shall mean the sales office for the Sponsor or Selling Agent, at a location to be designated by either Sponsor or Selling Agent from time to time. The Sales Office will initially be located at 150 Nassau Street, New York, New York.

"Schedule A" shall mean the Section of the Plan entitled "Schedule A – Purchase Prices and Related Information".

"Schedule B" shall mean the Section of the Plan entitled "Schedule B - First Year's Budget". Schedule B is sometimes referred to herein as the "First Year's Budget".

"Schedule B-1" shall mean the Section of the Plan entitled "Schedule B-1 for Individual Energy Costs".

"Selling Agent" shall mean the selling agent named in the Plan or any successor selling agent at the time in question.

"Sponsor" shall mean 2 Spruce Street LLC and any of its designees, successors, assigns, officers, directors, shareholders, members, principals or affiliates, as well as any other person or entity designated by Sponsor in writing, or by amendment to the Plan to retain all of Sponsor's rights under the Plan.

"Terrace" shall mean a terrace appurtenant to one or more Units (collectively, referred to as the "Terraces").

"Unit" shall mean any space designated as a Unit in the Declaration and the Floor Plans together with its Common Interest. All such Units, are collectively, referred to as the "Units".

"Unit Owner" shall mean any owner of a Unit. All such owners of Units are, collectively, referred to as "Unit Owners".

"Unsold Residential Unit" or "Unsold Unit" shall mean any Residential Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor at the time in question. All such Unsold Units are, collectively, referred to as the "Unsold Residential Units" or "Unsold Units".

"Unsold Unit Owner" shall mean any owner of an Unsold Unit. All such owners of Unsold Units are, collectively, referred to as "Unsold Unit Owners".

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The following is a general description of the Property, including the Land, Building, Units and Common Elements as well as certain facilities and services to be provided at the Condominium. For a more detailed description of the Property, see the "Description of Property and Building Condition" contained in Part II of the Plan.

Location, Acreage and Zoning

The Condominium is located at 150 Nassau Street (a/k/a 2 Spruce Street), in the Borough of Manhattan, City of New York. The Land covers approximately 9,426 square feet and the Building erected thereon consists of approximately 190,596 square feet of gross building area. The Property is located within a C6-4 zoning district (with applicable R-10 residential equivalent) which permits commercial use with conversion to residential use "as of right" under the Loft Law (Article 1, Chapter 5).

Improvements - General Description of Units

The Condominium, upon completion of construction, will consist of 45 Residential Units, 1 Retail Unit, 1 Reserved Unit and 1 Garage Unit within in a 22 story structure above grade with cellar and subcellar. There will be various utility and service areas located throughout the Building. (See the Subsection entitled "Services and Facilities" for further details).

Residential Units

The Residential Units will consist of 22 two-bedroom and 22 three-bedroom units and a Penthouse. The two-bedroom Units in the "A" line will each have 2½ bathrooms; those in the "D" line will each have 2 bathrooms. The three-bedroom Units in the "B" line will have 3½ bathrooms; those in the "C" line will have 3 bathrooms. Each of the Residential Units and the Penthouse will have individual gas fireplaces and access to a shared Terrace on the 21st floor. The Penthouse will have two internal mezzanine floors and will also enjoy the use of private Terraces on the 21st floor and on the 22nd floor.

Resident Manager's Housing

It is anticipated that the Condominium will enter into a lease with the Reserved Unit Owner with respect to an apartment in the Reserved Unit which will be leased to the Condominium to be occupied by the Resident Manager of the Building. At, or subsequent to the First Closing, Residential Unit 3J will be leased by the Condominium Board on behalf of all Unit Owners for an initial monthly rent at prevailing market rentals currently anticipated to be $5,000/month, payable by the Condominium on behalf of all Unit Owners from the Common Charges as a budget item. Sponsor intends to enter into a one-year lease with respect to the Resident Manager's Unit renewable at market rates for successive one-year terms. Nothing herein shall be construed to guarantee that an apartment in the Reserved Unit will always be available for lease by the Condominium beyond the first year on behalf of the Resident Manager or as to the expense of such lease beyond the first year. Under the Housing Maintenance Code of the New York City Administrative Code, a Resident Manager must live in the Building or within 200 feet or one block of the Building, whichever is greater, or a person or agency must be hired to perform janitorial services on a 24-hour-a-day basis. (See the Sections of the Plan entitled "Description of Property and Improvements" and "Schedule B – First Year's Budget" for further details.)

Commercial Units

As more particularly described in the "Declaration of Condominium" and in the "Description of Property and Building Condition" contained in Part II of the Plan, the Commercial Unitsare comprised of portions of the cellar and sub cellar wherein the parking garage is located ("Garage Unit") and portions of

Commercial Units however, in no event shall such alterations, additions, improvements or repairs effect the structural integrity of the Building;

(iii) the Commercial Unit Owners shall have the right to make all arrangements for the prompt repair and restoration of their respective Units to the extent the same Units are damaged or destroyed by fire or other casualty;

(iv) the Declaration, the By-Laws and Rules and Regulations may not be amended or modified so as to adversely affect the Commercial Unit Owners and/or the Commercial Units without the prior written consent of the affected Unit Owners;

(v) the Commercial Unit Owners shall have an easement to erect, maintain and replace any sign permitted by Law on the Property (including, but not limited to, the exterior walls of the Building) for the purpose of advertising the sale or lease of all or any portion of the Commercial Units and the operation of any business of a tenant or occupant of all or any portion of the Commercial Units;

(vi) notwithstanding any sub-division of any Commercial Unit, the Commercial Unit Owners shall have the right to designate 3 members to the 8 member Condominium Board, 1 of which shall be designated by the Garage Unit Owner, 1 of which shall be designated by the Reserved Unit Owner and 1 of which shall be designated by the Retail Unit Owner;

(vii) members of the Condominium Board elected or designated by a Commercial Unit Owner may only be removed by such Commercial Unit Owner, who alone will have the right to elect or designate a replacement; and

(viii) any decisions by the Condominium Board which solely affect a Commercial Unit may be made only with the consent of the member of the Condominium Board elected or designated by such Commercial Unit Owner.

Local Law 11

New York City Local Law 11 of 1998 ("Local Law 11"), which requires periodic examinations of the physical condition of certain exterior walls, applies to the Building. Sponsor shall, prior to declaring the Plan effective, obtain a file a Local Law 11 report with the Department of Buildings ("Report"), which Report shall also be disclosed in a duly filed amendment to the Plan.

Sponsor shall, at its sole cost and expense, make all necessary repairs to the Building as indicated in the Report and in accordance with Law as follows:

(a) all unsafe conditions shall be promptly corrected; and

(b) all safe conditions with a repair and maintenance program shall be corrected by the earlier of: (i) the due date on the next Report filing, or (ii) the sale of the last Residential Unit by Sponsor.

Construction Data for Units and Common Elements

Sponsor has engaged Karl Fischer Architects, as architect of record, Goldstein Associates, as structural engineer and Cosentini Associates LLP, as mechanical engineer. (See the Section of the Plan entitled "Identity of Parties" for further details.) The Plans and Specifications have been prepared by such architect and engineers.

Construction of the Building, including the individual Units and Common Elements, will be completed substantially in accordance with the Plans and Specifications, and all applicable Laws.

the street level wherein the retail space is located ("Retail Unit") and a portion of the ground floor and floors 2 through 9 in which up to 80 units are to be located ("Reserved Unit"). The Commercial Units are not being offered for sale pursuant to this Plan and will be retained by the Property Owner.

The Reserved Unit will contain a separate lobby, separate elevators and up to 80 units (comprising floors 2 through 9) which are intended as corporate rental apartments for guest stays of at least one month and/or as office space. The Condominium will enter into a lease with the owner of the Reserved Unit for occupancy by the Resident Manager of an apartment in the Reserved Unit. (See the Section of the Plan entitled "Introduction" for further details.)

The Retail Unit shall contain approximately 5,683 square feet.

Sponsor has applied for the necessary permits and approvals to construct and operate the Garage Unit as accessory parking.

To the extent the Garage Unit is constructed and operated as a parking facility, it shall provide for accessory parking for 25 passenger vehicles and shall be accessible by an access ramp from the street level to the cellar level and a car lift within the Garage Unit from the cellar to the subcellar level which will be operated by a garage attendant. The Declaration and By-Laws shall provide that subject to compliance with Law, Residential Unit Owners will have priority treatment with respect to leasing monthly parking spaces in the Garage Unit on the same terms as offered to non-occupants. Pursuant to such priority, a Residential Unit Owner seeking a parking space may require the Garage Unit Owner to terminate the license of a non-Residential Unit Owner, upon 30 days notice. With respect to the Residential Unit Owners, spaces shall be made available on a first-come, first-served basis with a limit of one parking space per Residential Unit. Residential Unit Owners shall have priority over (i) residents of the Reserved Unit and (ii) non-occupants, in that order. In all other regards, subject to compliance with the Declaration and Law, the Garage Unit Owner may establish its own rules and regulations, including fee structure with respect to the operation of the Garage Unit. Nothing herein shall imply that such parking will be available to any Residential Unit Owners.

All or any part of each of the Commercial Units may be leased or subleased by the respective Commercial Unit Owners, or as more fully set forth in the Declaration, and subject to compliance with all Laws, if any, each Commercial Unit may be combined or subdivided by the respective Commercial Unit Owner.

Residential Unit Owners will not have any interest in the rents, profits or revenues from the rental or use of any space in the Commercial Units.

No representation is made with respect to the continued ownership by the Property Owner of all or any portion of the Commercial Units, who the tenants of any portion of the Commercial Units may be at any time or as to the uses to which any portion of the Commercial Units may be put at any time except that the Commercial Units may only be used in compliance with Law.

The following is a summary of certain additional rights and obligations of the Commercial Unit Owner(s) relating to the use and ownership of the Commercial Units, which are more fully set forth in the Declaration and the By-Laws:

(i) the Commercial Units may be used for any legally permitted purposes;

(ii) the Commercial Unit Owners shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, the Residential Unit Owners, or representatives of holders of mortgages on Residential Units to make alterations, additions, improvements, or repairs in or to the Commercial Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and to subdivide and/or combine any or all of the

However, Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details) and substitute in place of any materials, appliances, equipment and fixtures set forth in the "Description of Property," set forth in Part II of the Plan, items of substantially equal or better quality, provided, however: (i) any material change shall be set forth in an amendment to the Plan; (ii) any necessary approval of any governmental authority having jurisdiction is first obtained; and (iii) no such amendments, modifications or substitutions may be made if the same would materially and adversely affect any binding Purchase Agreement unless the same is dictated by construction conditions at the Property, and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchaser(s), offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Purchase Agreement(s) and receive a refund of their Deposit, together with all interest earned thereon.

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about September 1, 2002. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such dates. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for his Unit or otherwise be relieved from any obligations under the Purchase Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to their Unit is delayed or postponed by Sponsor. In the event the actual or anticipated commencement date of the first year of Condominium operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if (i) Unit Owner's monthly Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, or (ii) the First Closing does not occur within 12 months after September 1, 2002 the date set forth in Schedule B as the commencement date for the first year of Condominium operation, then in either case, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within not less than 15 days after the Presentation Date of the amendment containing such revised budget. Any Purchasers electing rescission pursuant to such offer will have their Deposits and any interest accrued thereon returned.

Services and Facilities

The services and facilities described below will be provided to Unit Owners at no additional cost (other than Common Charges), unless otherwise specified below.

a. Doorman

There will be two distinct lobbies in the Building. One lobby will serve the Residential Units. The second lobby will be part of the Reserved Unit. At least one uniformed doorman will be on duty in the lobby 24 hours a day, 7 days a week. The doormen's hours of duty may be reduced until certain occupancy levels in the Condominium are achieved.

b. Concierge

There will be at least one concierge on duty in a lobby, 16 hours a day, 7 days a week. The concierge's hours of duty may be reduced until an occupancy level of 40% is attained with respect to the Residential Units. Sponsor expects, but does not guarantee, that such level of occupancy will be reached within 6 months of the First Closing.

c. Elevator Service

There will be 4 passenger elevators. Passenger elevator #1 will serve floors 1 and 10 through 20. Passenger elevator #2 will serve the Penthouse on the 21st floor in addition to these floors.

Passenger elevators #3 and #4 will be in the Reserved Unit exclusively for servicing that Unit. There will be no dedicated service elevators but oversized elevators #2 and #4 may be used for service.

d. Cable Television Service and Internet Access

The Building will be pre-wired for cable television service and high-speed internet access. A cable television system will be available for use by the Unit Owners which will offer a variety of stations. The charges for primary connections and subsequent monthly fees related to the services will be determined by, and shall be payable, directly, to the cable television and/or Internet provider servicing the Building. Additional cable service will also be available from the cable television provider for an additional charge on the same basis.

e. Mail

All incoming mail will be delivered to the Unit Owners by the United States Postal Service and deposited by its personnel in mail boxes located in the lobby. Sponsor reserves the right to have the Building staff sort and deliver the mail to the Residential Units and remove the mail boxes from the Building design.

f. Building Staff

All of the Building staff will be supervised by the Building's Resident Manager. All building staff shall be assigned such hours of duty as are necessary for the comfortable occupancy of all Unit Owners.

g. Laundry

Each Residential Unit will contain a washing machine and dryer.

h. Refuse Disposal

There will be recycling bins and access to the Building's refuse chute located on each floor containing Residential Units. The refuse chute will lead directly to an automatic compacting facility in the compactor room located in the cellar.

i. Communication Facilities and Intercom System

Each Residential Unit will be equipped with an intercom telephone system. This system will enable the occupants of each such Residential Unit to communicate directly with the concierge.

j. Smoke Detector/Sprinklers

Smoke detectors will be provided in each Residential Unit in compliance with Law. Additionally, the Building will be fully sprinklered in compliance with Law.

k. Terraces

The Penthouse will have private Terraces. In addition, a shared Terrace on the 21st floor shall be made available for the use of the owners and guests of the Residential Units.

While it is anticipated that all of these services and facilities will be available at the time of the First Closing, prospective Purchasers should note that some of these services (such as full staffing) may not be available until a later date (in no event later than 40% of all the Residential Units are occupied). However, at all times after the First Closing of any Residential Unit, the lobby will be attended 16 hours a day, 7 days a week by a concierge and/or doorman. The interim level of staffing will be adequate to maintain the Building during this period.

LOCATION AND AREA INFORMATION

Location

The Condominium is situated at 150 Nassau Street (a/k/a 2 Spruce Street) in the Borough of Manhattan, City of New York, at the intersection of Spruce and Nassau Streets. The main residential entrance will by located on Nassau Street. The Condominium is situated in close proximity to the New York City Municipal Building and across the Street from City Hall Park. Many Residential Units offer views of downtown Manhattan and Brooklyn and/or New Jersey and of bridges such as the Williamsburg, Brooklyn, and Manhattan Bridges.

Surrounding Area, Shopping, Museums, Theatre, and Parks

New York City is the leading cultural center of the world, with the finest universities, museums, libraries, theaters and cultural institutions, attracting millions of national and international tourists. New York City is the nation's center for communications, publishing, advertising, the stock market and other financial services, visual and performing arts and the fashion industry.

Near the Condominium are many noteworthy local attractions such as the Brooklyn Bridge, the Manhattan Bridge, the Williamsburg Bridge, and municipal buildings such as City Hall, New York City Courthouse, Federal District Court and the New York Municipal Building.

City Hall Park, Battery Park and the Battery Park City Esplanade are conveniently located to the Building. The Hudson River Park Conservancy is presently developing a public park and recreation space along the Hudson River slated for completion by 2003. The project is expected to incorporate a bikeway, a planted park area, public piers and waterside esplanade to include children's play areas, etc. The Heritage Trail offers a self-guided tour of historically significant sights around the Building in Lower Manhattan.

Sponsor makes no representations as to the continued existence of any of the named establishments.

Transportation

The neighborhood is well served by the New York City MTA subway and bus systems. In addition, transportation to and from the Building, and through New York City, is available by taxi and limousine services. A number of commercial parking garages are located nearby.

New York City is served by three major airports – LaGuardia Airport, Kennedy International Airport and Newark International Airport. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and 33rd Street, and from Grand Central Station, located at Lexington Avenue and 42nd Street.

Police, Fire, Water, Sanitation, Snow Removal and Road Maintenance

These services are provided by The City of New York and all charges (except water) are financed through real estate taxes paid by Unit Owners to The City of New York. The nearest police precinct headquarters is located on 16 Ericsson Place. Fire protection is provided from a local firehouse situated on 49 Beekman Street. Water charges for the Building will be metered and paid by all Unit Owners as a Common Expense of the Condominium.

Medical, Educational and Religious Facilities

A number of excellent medical centers, such as New York Infirmary-Beekman Downtown Hospital located at 170 William Street and St. Vincent's Medical Center, located at the intersection of 7th Avenue and West 11th Street are readily accessible.

Numerous private schools, public schools and parochial schools on the elementary, junior high school and high school levels are located within walking distance of the Building. Nearby colleges include Pace University, New York University School of Business, New York Law School and Manhattan Community College.

There are houses of worship of most major denominations in the vicinity of the Building.

Zoning and Landmark Designation.

The Condominium is located within a C6-4 zoning district which permits commercial and residential use, as of right. The Building is denoted as "The American Tract Society Building" and designated as an Individual Landmark by the Landmarks Commission. As a result of such distinction, no alterations may be made to the façade of the Building, which are visible from the street, without the consent of the Landmarks Commission. The renovation of the Building has been approved by the Landmarks Commission.

SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION

SCHEDULE A

150 NASSAU CONDOMINIUM
150 NASSAU STREET
NEW YORK, NEW YORK

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION
SEPTEMBER 1, 2002 TO AUGUST 31, 2003

Unit	(1) Number of Bedrooms and Baths	(2) Approx Area (Sq.Feet)	(3) Offering Price	(4) Percentage Interest in Residential Common Elements	(4) Percentage Interest in General Common Elements	(5) Projected Monthly Common Charges	(8) Projected Monthly Real Estate Taxes		(7) Projected Total Monthly Common Charges and Real Estate Taxes	
							Assuming 421-G Benefits	Assuming no 421-G Benefits	Assuming 421-G Benefits	Assuming no 421-G Benefits
10A	2/2.5	1,798	$ 895,000	1.98%	1.13%	$1,196.55	$296.27	$679.23	$1,492.82	$1,875.78
10B	3/3.5	2,365	$ 1,825,000	2.59%	1.48%	$1,567.18	$388.04	$889.82	$1,955.20	$2,458.77
10C	3/3	1,798	$ 1,475,000	1.98%	1.13%	$1,196.55	$296.27	$679.23	$1,492.82	$1,875.78
10D	2/2	1,307	$ 920,000	1.44%	0.82%	$868.29	$214.99	$492.90	$1,083.29	$1,361.19
11A	2/2.5	1,793	$ 920,000	1.98%	1.13%	$1,196.55	$296.27	$679.23	$1,492.82	$1,875.78
11B	3/3.5	2,353	$ 1,650,000	2.81%	1.49%	$1,577.75	$390.68	$895.63	$1,968.41	$2,473.37
11C	3/3	1,793	$ 1,500,000	1.98%	1.13%	$1,196.55	$296.27	$679.23	$1,492.82	$1,875.78
11D	2/2	1,307	$ 945,000	1.45%	0.83%	$878.88	$217.62	$498.91	$1,096.50	$1,377.79
12A	2/2.5	1,792	$ 945,000	1.98%	1.13%	$1,196.55	$296.27	$679.23	$1,492.82	$1,875.78
12B	3/3.5	2,353	$ 1,675,000	2.61%	1.49%	$1,577.75	$390.68	$895.63	$1,968.41	$2,473.37
12C	3/3	1,793	$ 1,525,000	1.98%	1.13%	$1,196.55	$296.27	$679.23	$1,492.82	$1,875.78
12D	2/2	1,308	$ 970,000	1.45%	0.83%	$878.88	$217.62	$498.91	$1,096.50	$1,377.79
13A	2/2.5	1,792	$ 970,000	1.98%	1.13%	$1,196.55	$296.27	$679.23	$1,492.82	$1,875.78
13B	3/3.5	2,353	$ 1,700,000	2.81%	1.49%	$1,577.75	$390.66	$895.63	$1,968.41	$2,473.37
13C	3/3	1,793	$ 1,550,000	2.03%	1.18%	$1,228.31	$304.14	$697.27	$1,532.45	$1,925.58
13D	2/2	1,305	$ 995,000	1.45%	0.83%	$878.88	$217.62	$498.91	$1,096.50	$1,377.79
14A	2/2.5	1,797	$ 995,000	2.00%	1.14%	$1,207.14	$298.89	$685.24	$1,506.03	$1,892.38
14B	3/3.5	2,365	$ 1,725,000	2.61%	1.49%	$1,577.75	$390.68	$895.63	$1,968.41	$2,473.37
14C	3/3	1,798	$ 1,575,000	2.05%	1.17%	$1,238.90	$306.76	$703.28	$1,545.66	$1,942.18
14D	2/2	1,305	$ 1,020,000	1.45%	0.83%	$878.88	$217.62	$498.91	$1,096.50	$1,377.79
15A	2/2.5	1,792	$ 1,020,000	1.98%	1.13%	$1,196.55	$296.27	$679.23	$1,492.82	$1,875.78
15B	3/3.5	2,353	$ 1,750,000	2.61%	1.49%	$1,577.75	$390.66	$895.63	$1,968.41	$2,473.37
15C	3/3	1,793	$ 1,600,000	2.03%	1.16%	$1,228.31	$304.14	$697.27	$1,532.45	$1,925.58
15D	2/2	1,305	$ 1,045,000	1.45%	0.83%	$878.88	$217.62	$498.91	$1,096.50	$1,377.79
16A	2/2.5	1,792	$ 1,045,000	1.98%	1.13%	$1,196.55	$296.27	$679.23	$1,492.82	$1,875.78
16B	3/3.5	2,353	$ 1,775,000	2.61%	1.49%	$1,577.75	$390.66	$895.63	$1,968.41	$2,473.37
16C	3/3	1,793	$ 1,625,000	2.03%	1.16%	$1,228.31	$304.14	$697.27	$1,532.45	$1,925.58
16D	2/2	1,305	$ 1,070,000	1.45%	0.83%	$878.88	$217.62	$498.91	$1,096.50	$1,377.79
17A	2/2.5	1,788	$ 1,220,000	1.98%	1.13%	$1,196.55	$296.27	$679.23	$1,492.82	$1,875.78
17B	3/3.5	2,353	$ 1,800,000	2.81%	1.49%	$1,577.75	$390.66	$895.63	$1,968.41	$2,473.37
17C	3/3	1,793	$ 1,650,000	2.03%	1.16%	$1,228.31	$304.14	$697.27	$1,532.45	$1,925.58
17D	2/2	1,305	$ 1,095,000	1.45%	0.63%	$878.88	$217.62	$498.91	$1,096.50	$1,377.79
18A	2/2.5	1,797	$ 1,395,000	2.00%	1.14%	$1,207.14	$298.89	$685.24	$1,506.03	$1,892.38
18B	3/3.5	2,365	$ 1,850,000	2.81%	1.49%	$1,577.75	$390.66	$895.63	$1,968.41	$2,473.37

18C	3/3	1,798	$ 1,700,000	2.05%	1.17%	$1,238.90	$306.78	$703.28	$1,545.66	$1,942.18
18D	2/2	1,305	$ 1,120,000	1.45%	0.83%	$878.88	$217.62	$498.91	$1,096.50	$1,377.79
19A	2/2.5	1,723	$ 1,470,000	1.93%	1.10%	$1,164.78	$288.41	$661.20	$1,453.19	$1,825.98
19B	3/3.5	2,241	$ 1,900,000	2.51%	1.43%	$1,514.21	$374.93	$859.56	$1,889.14	$2,373.78
19C	3/3	1,783	$ 1,750,000	2.05%	1.17%	$1,238.90	$306.78	$703.28	$1,545.66	$1,942.18
19D	2/2	1,305	$ 1,195,000	1.47%	0.84%	$889.47	$220.24	$504.92	$1,109.71	$1,394.39
20A	2/2.5	1,723	$ 1,545,000	1.94%	1.11%	$1,175.37	$291.03	$667.21	$1,466.40	$1,842.58
20B	3/3.5	2,241	$ 1,975,000	2.52%	1.44%	$1,524.80	$377.55	$865.57	$1,902.35	$2,390.36
20C	3/3	1,783	$ 1,625,000	2.07%	1.18%	$1,249.49	$309.38	$709.29	$1,558.87	$1,958.78
20D	2/2	1,305	$ 1,270,000	1.49%	0.85%	$900.08	$222.86	$510.93	$1,122.92	$1,410.99
Penthouse	4/6.5 T	6,937	$ 10,000,000	11.46%	6.54%	$6,925.15	$1,714.71	$3,931.14	$8,639.86	$10,856.29
Garage		12,871			6.01%	$3,287.25	$1,575.75	$3,612.56	$4,843.00	$6,879.81
Retail		5,686			4.25%	$2,146.67	$1,114.30	$2,554.64	$3,260.97	$4,701.31
Reserved		54,749			32.66%	$25,109.33	$8,563.07	$19,631.65	$33,672.40	$44,740.99
TOTAL:		159,403	$ 71,265,000	100.00%	100.00%	$90,984.75	$26,218.83	$60,109.17	$117,183.58	$151,073.92

*T = Terrace

Notes to Schedule A

(1) The room count for each Residential Unit was determined in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York, Inc. Floor Plans for each Unit should be inspected to determine actual dimensions, layout and physical condition prior to Purchasing. The Penthouse has two private roof-top terraces which are denoted as Limited Residential Common Elements.

(2) The square foot area and dimensions of the Units listed in Schedule A, the Declaration or the Floor Plans are approximate and may vary and were obtained by using the method customarily used in New York City to measure new condominium apartments. Estimated dimensions and floor area shown on Schedule A will exceed the Unit's useable floor area. Any Common Elements located within a Unit shall not be considered a part of such Unit.

The actual dimensions, configuration and fenestration (collectively, "unit layout") of a Unit may vary from its Floor Plan due to: (a) changes required by the Buildings Department or other government authorities having jurisdiction; (b) site or other construction conditions; (c) normal construction allowances and variances; and (d) varied masonry bearing wall thicknesses. Purchasers will not be excused from their obligations under the Purchase Agreement: (a) in the event of minor inaccuracies in a Unit's size (a diminution of size of less than 5%, exclusive of interior partitions) or (b) if the Unit is sufficiently completed (with boundary walls and interior partitions installed) and available for inspection before a Purchase Agreement is executed, in which case the unit layout as actually constructed shall supercede and govern any variation, substantial or otherwise, from any and all Floor Plans, drawings and diagrams.

(3) The Purchase Prices and other terms of sale (as more fully set forth in the Section of the Plan entitled "Changes in Prices and Units") of Units may be negotiated by Sponsor and, therefore, may be changed. Accordingly, Purchasers may pay different Purchase Prices for similar Units. The effect of this, as well as the right of Sponsor to change Purchase Prices, is more particularly discussed in the Section of the Plan entitled "Changes in Prices and Units." In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section of the Plan entitled "Closing Costs and Adjustments." If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Unit at the time of Closing. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

(4) (a) The percentage interest of each Unit (the Commercial Units and the Residential Units) in the Common Elements is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit, in accordance with the provisions of Section 339-i (1)(iv) of the Condominium Act.

(b) The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interests of all of the Residential Units in the Condominium.

(5) The estimated monthly Common Charges for each Unit are based on the Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the

first year of Condominium operation will be the year from September 1, 2002 through August 31, 2003. The actual first year of Condominium operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on his Unit, mortgage payments under a loan, if any, obtained to finance the purchase of his Unit, the cost of electricity supplied to his Unit which will be separately metered and payable directly to the utility company, the cost of any insurance which he may wish to obtain for his Unit (and which Sponsor strongly urges each Unit Owner to obtain) and the cost of interior repairs and decorations to his Unit. See the Section of the Plan entitled "Schedule B-1 - Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Units.

As discussed in the Section of the Plan entitled "Description of Property and Improvements" Subsection "Services and Facilities", the full range of services and facilities described in the Plan may not be provided until such time as Sponsor has conveyed title to 40% of the Residential Units.

A Purchaser of a Unit will be required to make a contribution at the Closing of Title to his Unit to the Working Capital Fund of the Building. The contribution shall be in an amount equal to 2 months' Common Charges in effect at the time of the Closing of such Unit. It is anticipated that occupancy turnover in the Reserved Unit will be greater than the Residential Units. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details.)

(6) For landmark buildings converted to residential use under the Section 421-g program, the increase in assessed value attributable exclusively to the improvement in the property's physical plant is exempted from real estate taxation (other than special assessments for local improvements) for 13 years. Year 1 through 9, 100% of the tax value attributable to physical increases are exempt, commencing in year 10, the exemption benefits are phased out at 20% per year.

The aggregate real estate taxes during the first year of Condominium operation are expected to be approximately $314,626 with the abatement in place. This amount is based on a projected tax rate of 10% of assessed valuation (based on current commercial use), based on the $3,195,000 pre-construction assessed valuation of the Property for the fiscal tax year 2002-2003. The $11,867,000 post-construction assessed valuation of the Property for the fiscal tax year 2003-2004 will be of no impact as the Section 421-g program exempts the total increased assessed value due to the construction and abates the remainder of the taxes that would be due with respect to the last 2 months of that same fiscal year.

The Sponsor will apply for a Preliminary Certificate of Eligibility for partial tax exemption from the New York City Department of Housing Preservation and Development. It is expected that a permanent Certificate of Occupancy for the entire Building, or a temporary Certificate of Occupancy for all residential areas of the Building will be obtained prior to January 5, 2003 (the taxable status date for the 2003-2004 fiscal year) and that the 13-year period will begin with the 2003-2004 fiscal year. The estimated tax is based on the assumption that the partial exemption will be in effect for the first year of Condominium operation, and that there will not be any change in the taxable status of the Property. No warranty or guarantee is made as to the amount of any tax exemption that will actually be received. In addition, no warranty or guarantee is made that the actual assessed valuation or the assessed valuation for the Property if Section 421-g benefits are granted will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the first year of Condominium operation or the real estate taxes will be allocated among Units in proportion to the appurtenant Common Interests. In no event will Sponsor, Sponsor's Counsel, Sponsor's Special Tax counsel, the Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind his

Purchase Agreement, in the event Section 421-g benefits are not granted or, if granted, in the event the amount of such exemption and the resulting taxes differ from those projected.

If for any reason the aforesaid tax exemption and abatement under Section 421-g is not granted, it is estimated that the aggregate real estate taxes payable with respect to all Residential Units for the first year of Condominium operation will total approximately $650,201.66, assuming (a) an assessed valuation of the Property of $11,867,000 (assuming 35% construction completion as of the taxable status date of January 5, 2002), and (b) a tax rate of 10% for the first 10 months and 10.847% (residential rate) for the remaining 2 months of the First Year.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as a single entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Office of the City Registrar. The apportionment will be based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the project and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. (See the "Attorney's Income Tax Opinion" and the "Attorney's 421-g Real Estate Tax Benefits Opinion" for further details.)

(7) These figures represent the aggregate estimated monthly carrying charges which include estimated Common Charges and estimated real estate taxes. Reference should be made to note (5) of these Notes for certain other "home ownership" costs that may be incurred by Unit Owners.

SCHEDULE B - FIRST YEAR'S BUDGET

SCHEDULE B
150 NASSAU STREET CONDOMINIUM
150 Nassau Street
Projected Budget for First Year of Condominium Operation
September 1, 2002 to August 31, 2003

ESTIMATED INCOME

Common Charges	
Residential Units	$ 736,907
Reserved Unit (Note 2)	$ 305,780
Retail Unit (Note 2)	$ 25,760
Garage Unit (Note 2)	$ 23,130
Total Estimated Income	$ 1,091,577

	Residential Unit	Reserved Unit	Retail Unit	Garage Unit
ESTIMATED EXPENSES				
Payroll and Related Expenses (Note 3)	$ 391,330	$ 90,281	$ 4,809	$ 6,801
Steam Heating/Hot Water (Note 4)	36,375	27,884	2,104	-0-
Electricity/Air Conditioning (Note 5)	78,450	58,788	5,402	-0-
Gas (Note 6)	7,200	4,050	-0-	-0-
Water Charges and Sewer Rent (Note 7)	37,723	18,969	2,729	2,082
Repairs and Maintenance (Note 8)	19,978	11,431	1,488	2,103
Service Contracts and Supplies (Note 9)	53,609	30,155	869	367
Insurance (Note 10)	26,508	15,167	1,974	2,751
Management Fee (Note 11)	21,405	12,247	1,594	2,254
Legal and Audit Fees (Note 12)	6,564	3,756	489	691
Resident Manager's Unit (Note 13)	34,933	19,988	2,601	3,678
Reserve for Contingencies (Note 14)	14,270	8,165	1,063	1,502
Telephone and Miscellaneous (Note 15)	8,562	4,899	638	901
Total	$ 736,907	$ 305,780	$ 25,760	$ 23,130

The Notes to Schedule B (above) are an integral part of this Schedule and should be read in conjunction herewith.

Notes To Schedule B

(1) Amounts are projected on the assumption that the first year of condominium operation will be the year from September 1, 2002 to August 31, 2003. The actual first year of condominium operation may begin earlier or later than that year. In the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements within not less than fifteen days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their down payments returned, together with interest earned thereon.

(2) These amounts represent the total Common Charges to be levied against and collected from the Residential Unit, the Reserved Unit, the Retail Unit and the Garage Unit during the projected first year of condominium operation. The Common Charges will be utilized by the Board to defray the operational expenses of the Condominium. Generally, Common Expenses have been allocated among the Units on the basis of percentage of Common Interest. Where the allocation of Common Expenses is not based on percentage of Common Interest or Common Expenses have been allocated only to certain categories of Units, such circumstances are set forth in the following notes. The Reserved Unit Owner, the Retail Unit Owner and the Garage Unit Owner will be obligated to pay their fair share of the expenses that are incurred by the Board in furnishing those services, as well as operating, maintaining and repairing those Common Elements, that are utilized by such Unit Owner. Except for certain limited services and Common Elements which the Retail Unit and Garage Unit share with the Unit Owners and Reserved Unit in general, the Retail Unit and Garage Unit are being constructed, equipped and separately metered to operate as an independent Unit with a minimum of common expenses or operations with the remainder of the Units. Common Expenses to be borne by the Residential Unit Owners have been allocated on the basis of the combined percentage of Common Interest of such Units, for a total of 57.08%. Common Expenses to be borne by the Owner of the Reserved Unit have been allocated on the basis of such Unit Owner's Common Interest, for a total of 32.66%. Common Expenses to be borne by the owner of the Retail Unit have been allocated on the basis of such Unit Owner's Common Interest, for a total 4.25%. Common Expenses to be borne by the Owner of the Garage Unit have been allocated on the basis of such Unit Owner's Common Interest for a total of 6.01%.

After operation of the Condominium has commenced, it is anticipated that the methods of allocation of the Common Expenses to be paid by the Reserved Unit Owner, Retail Unit Owner and Garage Unit owner will be periodically adjusted as provided in the By-Laws, but not more frequently than once each year, to reflect the differing proportions fairly attributable to the then amount of usage by such category of Unit Owner of the services and the Common Elements in question, but in any event in conformity with Section 339-m of the New York State Real Property Law. If any category of Unit Owners contends that any method of allocation determined by the Board is inequitable, the dispute may be submitted to arbitration as provided in the By-Laws.

(3) Payroll and Related Expenses: $ 493,221

Unless otherwise noted in these footnotes, for purposes of estimating all payroll costs in Schedule B, it has been assumed that employees will be members of Local 32-B/32-J, Service Employees International Union, AFL-CIO. All wage, salary and benefit costs, including applicable payroll taxes reflect that assumption.

The payroll taxes and benefits include FICA (projected at 8% of total wages), Federal and New York State unemployment insurance (projected at $560.00 per person per year), workers' compensation (projected at 7.0% of total wages), and disability insurance (projected at $50.00 per

person per year).

The level of staffing described in this Schedule B complies with all applicable housing and labor laws.

No warranty is made with respect to the Building employees right to organize or the actual wages, salaries, benefits and related payroll taxes and similar expenses which will be applicable and in effect during the first year of condominium operation. However, the projected expenses for wages, salaries and benefits as well as the assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert, Bellmarc Property Management Services, Inc., in managing comparable buildings.

The wage and salary estimates included in Common Expenses are detailed as follows:

POSITION	WAGES PER PERSON
1 Superintendent	$ 50,390 per annum
4.2 Lobby Attendants	$ 34,037 per annum
1 Handyman	$ 37,492 per annum
3 Porters	$ 34,037 per annum

In addition, 28 days per year of vacation days, sick days and personal days have been allowed for each of the employees and have been included in the total payroll and related expenses. Payroll expenses for the Condominium's employees, with the exception of the lobby attendants, have generally been allocated to the Residential Unit and the Reserved Unit. The lobby attendants have been allocated exclusively to the Residential Unit. The Retail Unit and Garage Unit will utilize the services of the superintendent and one porter on a limited basis. Accordingly, the costs related to the superintendent's salary, the salary of one porter, benefits, etc. have been allocated to the Retail Unit and the Garage Unit on the basis of percentage of Common Interest. Payroll expenses for the superintendent, handyman and remaining porters have been allocated to the Residential Units and Reserved Unit.

(4) Steam Heating and Hot Water: $ 66,363

Heat and hot water will be provided by Con Edison steam. The system will maintain the heat pump loop temperature. The water shall be distributed to the heat pump units via a closed condenser water loop. Because the Building is in the process of being re-constructed as a residential building, it has no operational history upon which to base a projection of future steam usage.

The estimates and projections of consumption of gas for heating purposes are as described in a letter, dated June 21, 2001 from Cosentini which reflects an estimated annual consumption of approximately 3040 pound per thousands based on an average rate of $18.62 per pound. The anticipated cost for the projected first year of condominium operation as estimated by Cosentini Associates reflects rates that are currently in effect.

It is impossible to predict whether the budgeted figure will reflect the actual cost of steam for the actual first year of condominium operation. This cost will vary with both the level of consumption of gas and the rate charged by the utility company. The level of consumption of gas will be affected by the severity of the weather and any conservation measures (such as staggering the hours of heating and lowering the temperature of the heat and hot water, etc.) adopted by the Board. Any projection of future costs therefore is difficult.

It is believed that the budgeted figure will be sufficient to cover any reasonable increase in the

cost of steam during the projected first year of condominium operation. However, no budget item is warranted.

(5) Electricity and Air Conditioning: $ 142,640

The amount set forth is the estimate for the electricity consumed only by the Common Elements, since the electricity for each Residential Unit, the Reserved Unit, the Retail Unit and the Garage Unit will be individually metered by Con Edison. Allocation of the electricity consumed with respect to the Common Elements is based on a master meter from Con Edison explicitly for the Common Elements, adjusted to reflect the costs associated with the Retail Unit's and Garage Unit's use of all equipment associated with the operation of their master heat pump system. The amount set forth in Schedule B for electricity is based on the estimate and projections of consumption for all Common Elements as described in a letter, dated June 21, 2001 from Cosentini Associates which reflects an estimated annual consumption of approximately 326,400 kilowatt hours of electricity based on a rate of $.17 per kilowatt hour of electricity.

(6) Gas, Cooking/Laundry: $ 11,250

The budgeted estimate includes the cost of gas service supplied by Con Edison for domestic purposes (cooking and laundry) in the Residential Units. The cost of gas is based on the estimate and projection of consumption as described in a letter, June 21, 2001 from Cosintini Associates which reflects an estimated annual consumption of 12,500 therms per year at a rate of $ .90 per therm. The Retail and Garage Units will not utilize any gas; and accordingly, the cost of gas has been allocated to the Residential Units and the Reserved Unit.

(7) Water Charges and Sewer Rent: $ 61,503

The budgeted amount constitutes a projection of the water charges and sewer rents that will be payable with respect to the Building. Because the Building is in the process of being re-constructed as a residential building, it has no operational history upon which to base such a projection. The budgeted amount is based upon the estimate and projection of consumption and rates by Cosintini Associates. which reflects an estimated annual consumption of 18,250 CCF by the Residential Units, the Reserved Unit, the Retail Unit and the Garage Unit is based on current New York City water and sewer rates. Water meters will be installed to measure actual water usage for billing purposes. It is believed that the budgeted amount should be sufficient to cover any reasonable increase in the cost of utilities during the first year of condominium operation. However, no budget item is warranted as to its accuracy, sufficiency or otherwise. Thereafter, water charges and sewer rent will be allocated among the Units based on the estimated annual consumption set forth above.

(8) Repairs and Maintenance: $ 35,000

This figure represents the estimated cost for ordinary maintenance and repairs of the Common Elements, including periodic painting, and supplies such as cleaning supplies, lubricants, bulbs, fixtures, hardware, rubbish compactor bags, etc. used in connection with the operation of the Common Elements.

No amounts have been budgeted for repairs to the roof, the heating, ventilating and air-conditioning system or the Building exterior, and a relatively small amount has been estimated for other repairs, because the Building's roof, the heating, ventilating and air-conditioning system and

virtually all of the other Building systems will be new. This estimate is based on experience of Sponsor's budget expert, Bellmarc Property Management Services, Inc., in operating comparable new buildings.

Repair and maintenance expenses have been allocated among all Units on the basis of percentage of Common Interest.

(9) Service Contracts and Supplies: $ 85,000

This estimate includes the cost of various services used in or for the Common Elements, including elevator service, wood, marble and metal maintenance, extermination, a recycling system, water treatment and uniform laundry.

No maintenance or service contracts have been entered into as of the date of the Plan. The budgeted amounts are based on estimates received from contractors and otherwise or the experience of Sponsor's budget expert, Bellmarc Property Management Services, Inc. in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost which may occur prior to and during the first year of condominium operation, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

Service contracts and supply expenses have been allocated among all Units based upon each Unit's projected consumption of such contracts and/or supplies.

(10) Insurance: $46,400

The insurance premiums are based on the letter, dated June 15, 2001 from Genatt Associates, setting forth the following coverage:

PACKAGE	INSURER WITH A BEST RATING OF "A"
PROPERTY – All Risk, Replacement Cost, Agreed Value (No Coinsurance)	
Building	$ 50,000,000
Business Income Incl. Extra Expense	Actual Loss Sustained
Personal Property of Others	$ 10,000
EXTENSIONS OF COVERAGE:	
Building Ordinance	Included
Increased Cost of Construction/Demolition	$ 1,000,000
Back-up of Sewers & Drains	$ 250,000
Underground Water Supply Mains	$ 1,000,000
Flood	$ 1,000,000
Earthquake	$ 1,000,000
Demolition	$ 1,000,000
Debris Removal	$ 1,000,000
Joint Loss Agreement	Included
DEDUCTIBLES:	
Building	$ 1,000

Back-up Sewers & Drains	$ 5,000
Underground Water Supply Mains	$ 5,000
Flood	$ 10,000
Earthquake	$ 50,000

ENHANCEMENTS:

Fire Departments Service Charge	$ 10,000
Pollutant Clean-Up and Removal	$ 100,000
Chemical Extinguishing System Discharge	$ 25,000
Accounts Receivable (including Credit Cards)	$ 1,000,000
Transit	$ 50,000
Money and Securities	
Inside	$ 20,000
Outside	$ 10,000
Money Orders and Counterfeit Paper Currency	$ 1,000
Forgery and Alteration	$ 2,500
Lost Key Consequential Loss	$ 1 ,000
Fine Arts	$ 1,000,000
Newly Acquired	$ 25,000
Transit	$ 500,000
Contamination, Spoilage, Change in Temperature or Humidity	$ 25,000
Leasehold Interest Improvements and Betterments	$ 1,000,000
Utility Services – Direct Damage to Building	$ 1,000,000
Newly Acquired or Constructed Property	
Building	$ 2,500,000
Business Personal Property	$ 500,000 max
Personal effects owned by insured, officers, partners, employees	$ 25,000
Personal effects & Property of others valued as your Business	
Personal property	$ 25,000
Valuable Papers and Records	$ 1,000,000
Transit	$ 150,000
Personal Property at any other location	$ 500,000
Outdoor Property: Trees, Shrubs and Plants also covered for	
Vehicle Collision, Theft, V&MM, Weight of Ice and	
Snow/Any One Item	$ 500,000/$2,500
Exterior and Interior Glass	Unlimited
Debris Removal	$ 500,000 Add'l
Outside Trees, Shrubs, Plants blown onto your premises	$ 1,000
Replacement Cost: Not on same premises of constructive	
Total loss	w/i Bldg. Limit
Restoration Cost for Building and Improvements and	
Betterments	w/i Bldg. Limit

LIABILITY:

Comprehensive General Liability,
Bodily Injury and Property Damage:

General Aggregate	$ 2,000,000
Per Occurrence	$ 2,000,000
Personal & Advertising Injury	$ 1,000,000
Products/Completed Operations Aggregate	Included

Fire Damage	$ 50,000
Medical Payments	$ 5,000
Water Damage Legal Liability	$ 1,000,000
Employee Benefits Liability	$ 1,000,000
Non-Owned/Hired Car Coverage	$ 1,000,000
Knowledge/Notice of Occurrence	Included
Unintentional E&O	Included
DEDUCTIBLES:	
Water Damage Legal Liability	$ 1,000 Per Claim
Employee Benefits	$ 1,000 Per claim
PACKAGE PREMIUM:	**$ 34,800**

DIRECTORS & OFFICERS LIABILITY

Each Loss	$ 1,000,000
Aggregate	$ 1,000,000
Managing Agent Rider	Included
DEDUCTIBLE:	
Each Insured, Director or Officer	$ 250
DIRECTORS & OFFICERS LIABILITY PREMIUM:	**$ 2,880**

CRIME COVERAGE

Employee Dishonesty	$ 1,000,000
Managing Agent Rider	Included
DEDUCTIBLE:	
Employee Dishonesty	$ 5,000
CRIME PREMIUM:	**$ 1,200**

BOILER & MACHINERY:

Comprehensive Coverage Including Production Machinery

Equipment Breakdown Limit	$ 50,000,000
Property Damage	Included
Business Income	Included
Extra Expense	Included
Service Interruption	Included
Perishable Goods	$ 25,000
Computer Equipment	$ 25,000
Demolition and ICC	$ 1,000,000
Expediting Expenses	$ 50,000
Hazardous Substances	$ 25,000
CFC Refrigerants	$ 25,000
Newly Acquired Locations	$ 1,000,000

DEDUCTIBLE:	
Combined – All Coverages	$ 2,500
BOILER ANNUAL PREMIUM:	**$ 2,400**
UMBRELLA:	
Limit of Liability:	$200,000,000
UMBRELLA PREMIUM:	**$ 5,120**
TOTAL PREMIUM:	**$ 46,400**

The total premium for these various coverage is estimated at $46,440. This coverage does not include claims for personal injury or property damage resulting from occurrences in individual Units, nor does it include coverage of the furniture or personal property of Unit Owners.

This quotation is an indication of Insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the first year of condominium operation. Purchasers should be aware of the possibility of rate increases.

Sponsor will procure, on behalf of the Board, on or before the date of the First Closing, the general liability insurance required to be carried by the Condominium. Unit Owners should consider procuring their own coverage for their contents and liability within their Unit and appurtenant (private) Limited Residential Common Elements.

The fire, casualty and general liability insurance carried by the Condominium will provide that each Unit Owner is an additional insured party; that there will be no cancellation without notice to the Board of Managers; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and Unit Owners; and a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

Insurance expenses have been allocated among all Units on the basis of percentage of Common Interest.

(11) Management Fee: $37,500

Based on the management agreement to be entered into at or before the First Closing, Sponsor anticipates that the Managing Agent will receive an annual fee of $37,500 for the first year. In the opinion of Bellmarc Property Management Services, Inc., the Managing Agent's fee for the first year of condominium operation is comparable to the fees charged for such services at similar buildings. The management fee has been allocated among all Units on the basis of percentage of Common Interest. Reference should be made to "Management Agreement" for further discussion of the terms of the Management Agreement.

(12) Legal and Audit Fees: $11,500

Based upon the estimate of Kleiman & Weinshank, LLP, as set forth in a letter dated June 6, 2001, $ 6,500 has been budgeted for fees to be incurred in connection with the preparation of the audited financial statements for the Condominium's first year of condominium operation and its Federal, New York State and New York City income tax returns. The balance of the budgeted amount $ 5,000 has been estimated to provide for minor legal services to be rendered in

connection with the operation of the Building such as attendance at Board meetings, preparation of Board minutes and negotiation of minor agreements.

Legal and audit fees have been allocated among all Units on the basis of percentage of Common Interest.

(13) Resident Manager's Unit: $ 61,200

It is anticipated that the Condominium will lease an apartment for the building resident manager from the Owner of the Reserved Unit. The parties will enter into a standard form lease agreement for a fixed term. The monthly rent for the apartment is projected to be $5,000. Also included in this category is the projected cost of electricity for this apartment.

The cost of the resident manager's apartment has been allocated among all Units on the basis of percentage of Common Interest.

(14) Reserve for Contingencies: $ 25,000

This amount is to cover possible increases in expenses not now foreseen and for expenses not included. The budget may be modified from time to time prior to commencement of, or during, the first year of condominium operation to increase items of expenses and decrease the contingency reserve. The reserve has been allocated among all Units on the basis of percentage of Common Interest.

(15) Telephone and Miscellaneous: $ 15,000

This estimate is included to provide for the estimated cost of miscellaneous administrative and other costs including, but not limited to, inspection fees, license fees, permits, stationery, postage, printing, pager and telephone and fees. Telephone and miscellaneous expenses have been allocated to all Units on the basis of percentage of Common Interest.

This estimate does not include an estimate for income taxes payable by the Condominium. More than 85% of the total square footage of all Units of the Condominium, including the Reserved Unit, will be used by individuals for residential purposes. Accordingly, the Condominium may be eligible to elect to be treated as a homeowners association which is not subject to Federal income tax on amounts received as membership dues, fees, or assessments from Residential Unit Owners, for its first taxable year. Absent such election, the status of the Condominium for tax purposes is uncertain. The Condominium may be treated as a conduit for the Unit Owners, rather than a separate taxpayer. If treated as a separate entity, the Condominium may be treated as a partnership for tax purposes, and as such would not be subject to Federal or New York State income tax, but may be subject to the New York City Unincorporated Business Tax. (See the Sections of the Plan entitled, "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" and "Opinions of Counsel" for further discussion.

In the opinion of Bellmarc Property Management Services Inc., the projected income for the Condominium is adequate to meet the estimated expenses for the first year of condominium operation, assuming that such first year is the fiscal year commencing September 1, 2002. The budget, however, is not intended, and should not be taken, as a guarantee by anyone that the annual Common Charges or Common Expenses for the first or any subsequent year of operation of the Property by the Board will be as set forth in the budget. In fact, it is likely that the actual income and expenses for the first year of condominium operation will vary from the amounts shown in the budget.

SCHEDULE B-1 - PROJECTED INDIVIDUAL ENERGY COSTS BUDGET

SCHEDULE B-1

Projected Annual Electricity Cost

By letter dated June 21, 2001, Cosentini Associates provided the following estimate of annual electric energy costs for lighting, air conditioning, heat pumps, hot water heating and for operating the typical electrical appliances located in each apartment:

Each unit's electrical consumption was calculated based upon 1 KW/square foot of power and lighting based upon a 14-hour day and 365 days per year. The steam fired domestic water heater power consumption was kept constant for all units. The air conditioning and heating load electric power consumption was based upon the actually heating and cooling load as affected by solar and transmission loads and not solely by heat to gain on a per square foot basis. Costs are based on an average Con Edison rate of $.1700 per kW Hour.

Apartment Size	Total Annual kWh	Total Annual Cost
1305	15,965	1,475
1307	15,994	1,477
1564	19,135	1,767
1723	21,082	1,947
1783	21,818	2,015
1788	21,876	2,020
1792	21,924	2,025
1793	21,935	2,026
1797	21,988	2,031
1798	22,000	2,032
2167	26,512	2,449
2241	27,418	2,532
2353	28,788	2,659
2365	28,935	2,672
3624	44,341	4,095

The projected rates are not guaranteed and it must be expected that these rates will increase with the passage of time and may be affected by many factors, which are beyond the control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will be metered and will vary based on the personal needs of occupants and weather conditions.

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i AND OPINION OF COUNSEL

Bellmarc

Bellmarc Property Management

July 25, 2001

150 Nassau Associates, LLC
Yitzthak Tessler
500 Fifth Avenue
New York, NY 10017

RE: 150 Nassau Street Condominium
150 Nassau Street, New York, NY

Gentlemen:

Bellmarc Brokerage Ltd. is a member of the Bellmarc Companies, a group of real estate brokerage firms licensed in the state of New York. The Bellmarc Companies have been in business for more than eighteen-year specializing in the Manhattan residential market. Our firm has frequently been retained as selling agent and/or consultant for condominium and cooperative offerings.

The undersigned has reviewed the allocation of percentages of common interest contained in Schedule A of the above referenced offering Plan.

The Sponsor of the Plan informed me that such allocation was made, pursuant to Section 339-I (iv) of the Real Property law of the State of New York, based "upon floor space, subject to the location of such space and the additional factors of relative value to other space in the condominium, the uniqueness of the units." In my, opinion, based on the criteria set forth above, the allocation of percentages of common interest appearing in Schedule A are reasonable.

The undersigned will not serve as Selling Agent and is not affiliated with the Sponsor/Selling Agent under this plan, nor with any of its principals, and has no financial stake with respect to the offering under the Plan, other than our fee for services rendered, except that an affiliate of the Bellmarc Companies will serve as managing agent for the Condominium.

Very truly yours,

John T. Lawrence
Executive Vice President

Sworn before me this

25 day of July 2001

JACKIE J. THERMIDOR
Notary Public, State of New York
No. 01TH600159
Qualified in Kings County
Commission Expires Dec. 8, 2001

GREENSTEIN STARR GERSTEIN & RINALDI LLP
Attorneys at Law

57 WEST 38TH STREET
NEW YORK, N.Y. 10018

(212) 398-7900
FAX (212) 575-2387

July 26, 2001

2 Spruce Street LLC
500 Fifth Avenue
New York, NY 10110

Re: 150 Nassau Street Condominium ("Condominium")

Gentlemen:

You have requested our opinion regarding the allocation of common interests to the Units at the Condominium as required by NYCRR Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion shall have the same meaning as set forth in the Offering Plan ("Plan") for the Condominium.

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on Schedule A of the Plan and the Declaration establishing the Condominium. We have also considered the relevant Sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Bellmarc Property Management Services, Inc. as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Bellmarc Property Management Services, Inc.

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law ("RPL") Section 339-i (1) i.e., based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with Subsection (iv).

Accordingly, based on the foregoing it is our opinion that RPL Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will the Sponsor, Greenstein Starr Gerstein & Rinaldi LLP, the Selling Agent, the Managing Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable law.

The opinion expressed herein is based solely on New York law.

Very truly yours,

Greenstein Starr Gerstein & Rinaldi

GREENSTEIN STARR GERSTEIN
& RINALDI LLP

CHANGES IN PRICES AND UNITS

Purchase prices for the Units offered hereby are negotiable and Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of the Condominium Board, any Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Unit, except that no such change with respect to any Unit for which a Purchase Agreement is then in effect may be made without the consent of the Purchaser. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease Purchase Prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the Purchase Price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. If any such change is made, a Purchaser of a Unit affected thereby may pay more or less than other Purchasers under the Plan for similar Units, but this will not affect any prior or subsequent sale of Units which are not the subject of such change.

Sponsor reserves the right to negotiate with each Purchaser the following terms and conditions of the Purchase Agreement: Purchase Price; the amount of the Deposit; the availability of financing; the payment of Purchaser's financing fees and other closing costs; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; extensions of time periods within which to perform obligations under the Purchase Agreement; special construction modifications; the availability of use and occupancy agreements and the amount of interim rent thereunder; and the application of interim rent towards the Purchase Price.

Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers by a duly filed amendment to the Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any right of rescission under a Purchase Agreement.

The location in the Building, size and layout of the Units are shown on the Floor Plans set forth in Part II of the Plan. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to (a) change the size, layout and square footage of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into 2 or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, and (c) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b) or (c) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to an Unsold Unit for which a Purchase Agreement is then in effect (and the Purchaser thereunder is not in default) which increases or decreases the net square foot area (excluding interior partitions) or Common Interest by more than 5% in the case of a Residential Unit or materially changes the layout of such Unit, unless the Purchaser consents to such changes. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing his Unit and will not have any claim against Sponsor as a result of any such change and no such change will affect a Purchaser's obligations under the Purchase Agreement

or the Plan. If Purchaser's consent is required as a result of such change and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to refund to Purchaser the Deposit made under the Purchase Agreement and any interest earned thereon.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the Purchase Price for his Unit or otherwise be relieved from any obligations under the Purchase Agreement, by virtue of a minor inaccuracy or error in the Floor Plans.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest and Residential Common Interest of any Unit be changed, unless, in each such event, the Declaration and Floor Plans and the Plan are amended with the consent of each Unit Owner whose Unit is directly affected by such change. In the case of a material and adverse change in the size or quality of the Common Elements, no such change shall be made without the consent of every Unit Owner. Sponsor will have the right to amend or to cause the Condominium Board to amend the Declaration to reflect any such material and adverse change and to file such amendment and any necessary plans and specifications in connection therewith, without the consent of any other Unit Owners.

PROCEDURE TO PURCHASE

A prospective purchaser desiring to purchase a Unit will be required to execute a Purchase Agreement, which will be in the form set forth in Part II of the Plan.

Prospective Purchasers shall be afforded not less than 3 days to review the Plan and all amendments thereto prior to executing a Purchase Agreement. A prospective Purchaser may obtain the Plan upon payment of a $150 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition within 14 days or (ii) the execution by the prospective Purchaser of a Purchase Agreement subsequently accepted by Sponsor. If a Purchaser has not received and read the Plan at least 3 full days prior to executing a Purchase Agreement, a Purchaser shall have the right to rescind the Purchase Agreement within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Deposit to the Selling Agent. The Purchase Agreement sets forth in detail the terms of sale with respect to each Unit and should be read carefully by each prospective Purchaser. Prospective Purchasers should be aware that if any conflict exists between the Plan and the Purchase Agreement, the provisions of the Plan shall in all events control.

Although a Purchaser may obtain financing from a lending institution or any other source, Purchaser's obligation to purchase a Unit pursuant to the Purchase Agreement shall not be contingent on Purchaser obtaining financing for such purchase.

Purchase Agreements will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the prospective Purchaser. Sponsor will have 30 days after delivery by Purchaser of an executed Purchase Agreement and the Deposit required thereby, within which to accept or reject such Purchase Agreement. Sponsor reserves the right to request thorough identification and financial information (including credit reports) concerning any prospective Purchaser, subject to any limitations and requirements imposed by Law.

If a Purchase Agreement is not accepted by Sponsor within the aforesaid 30 day period, the Purchase Agreement shall be deemed to have been rejected and cancelled and the Deposit shall be returned to Purchaser within 30 days thereafter. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, to refuse to approve and execute (a) a Purchase Agreement for any Unit, except as prohibited by Law, and (b) a Purchase Agreement(s) for more than one Unit to any one person or entity.

Any Purchaser that is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. Section 4305, must notify the United States Department of State prior to purchasing a Unit and provide a copy of such notice to Sponsor. Sponsor will not be bound under any Agreement with a foreign mission unless and until the earlier to occur of: (i) receipt of a notification of approval from the Department of State; or (ii) 60 days after receipt of such Purchaser's notice by the Department of State.

The Purchase Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law of the State of New York.

At the time of execution of a Purchase Agreement, a Purchaser will be required to make an initial Deposit in an amount equal to 10% of the Purchase Price by an official bank endorsed certified check or check drawn on or issued by a United States Bank or trust company which is a member of the Federal Reserve System. Each Purchaser will be required to make in addition to the initial Deposit, an additional Deposit of 10% of the Purchase Price within 9 months after receipt of a fully executed Purchase Agreement from Sponsor or at the time the Plan is declared effective, whichever is first to occur. All Deposits must be made payable to the direct order of "GREENSTEIN STARR GERSTEIN & RINALDI LLP, ESCROW AGENT". All checks delivered in payment of the Deposit shall be accepted by Sponsor

subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be cancelled and of no further force or effect.

All Deposits made pursuant to a Purchase Agreement are subject to the requirements of Section 71a(3) of the State of New York Lien Law and 352-e(2)(b) and 352-h of the General Business Law of the State of New York. Pursuant to this law, Sponsor will cause all Deposits received by it directly or by its agents or employees to be promptly deposited and held in accordance with the procedures set forth in the Section of the Plan entitled "Escrow and Trust Fund Requirements".

The balance of the Purchase Price shall be payable simultaneously with the delivery of the deed to the Unit by wire transfer, official bank check or unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association and shall be payable to the direct order of Sponsor, or otherwise if Sponsor should so notify Purchaser. The deed will be substantially in the form set forth in Part II of the Plan. Interest, if any, on Purchaser's Deposit will be credited or paid to Purchaser at Closing.

TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF ALL DEPOSITS AND THE BALANCE OF THE PURCHASE PRICE. FUNDS DRAWN ON FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE.

If Purchaser defaults under his Purchase Agreement, including, but not limited to, the failure to pay the additional Deposit, and if Purchaser does not cure such default within 30 days after Sponsor gives written notice to Purchaser of default, Sponsor may, at its option, either (a) cancel the Purchase Agreement and retain the Deposit together with any interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Sponsor and Purchaser shall wholly cease and terminate or (b) bring an action against Purchaser for specific performance. Purchaser will receive at least 30 days' prior notice of the Closing Date and in the event Purchaser fails to close on the Closing Date, then Purchaser will have a 30 day period after notice within which to cure, time being of the essence, such default, following which Sponsor shall have the remedies set forth above.

If a Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date (a) the closing apportionments described in the Section of the Plan entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to .05% of the Purchase Price of his Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

If a Purchaser has entered into Purchase Agreements to purchase more than one Unit, a default by Purchaser in the payment or performance of any obligations under any of such Purchase Agreements, beyond any applicable grace periods, shall be deemed a default under the other Purchase Agreement(s). In the event of such a default, Sponsor may, at its option, cancel each such Purchase Agreement(s) and retain, as liquidated damages, the entire Deposit(s) made by Purchaser, together with any interest earned thereon, if any, under each of such Purchase Agreement(s).

Prior to the closing of title to a Unit, the Purchase Agreement prohibits a Purchaser from listing the Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent. Any listing of the Unit for sale and/or advertising by Purchaser in violation of the terms of the Plan will be deemed a material default under the Purchaser Agreement, and Sponsor may, at its option, cancel the

Purchase Agreement and retain, as liquidated damages, the entire Deposit made by the Purchaser, together with interest earned thereon.

If the Plan is withdrawn or abandoned, the Deposit previously paid to and actually collected by Sponsor together with any interest earned thereon, shall be returned to Purchaser in accordance with the provisions herein set forth.

From and after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges, real estate taxes and assessments (including water charges and sewer rents, if separately assessed) and all other expenses with respect to his Unit, whether or not he has taken possession of his Unit, and whether or not all work required to be performed by anyone in or to his Unit has been completed.

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (.i.e., diplomatic or sovereign immunity) shall expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement being brought in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Agreement. Any such Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of Purchaser in any state or federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement.

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit, at which time such risk shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Condominium Board"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return the Deposit, together with any interest earned thereon, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

Sponsor is obligated to provide only the equipment, fixtures and furnishings set forth in the "Description of Property and Building Condition" set forth in Part II of the Plan. If a person desiring to purchase a Unit requests that Sponsor perform special or additional work on such Unit or provide extra furnishings, including, but not limited to, any deviation from the materials or specifications described in the Description of Property and Building Condition set forth in Part II of the Plan, and Sponsor agrees to perform such work and/or provide such furnishing, then Sponsor may require such person to deposit an amount greater than the Deposit required under the Purchase Agreement. Purchasers may earn no interest on additional Deposits for such special or additional work.

SPONSOR SHALL IN NO WAY BE OBLIGATED TO PERFORM ANY WORK TO A UNIT OTHER THAN AS REQUIRED BY THE TERMS OF THE PLAN AND THE DESCRIPTION OF PROPERTY AND BUILDING CONDITION SET FORTH IN PART II OF THE PLAN.

Each Purchaser of a Unit shall be given a reasonable opportunity to examine his Unit prior to the Closing and is urged to make a careful inspection thereof. At the Closing, each Purchaser shall be required to sign and deliver to Sponsor an Inspection Statement in substantially the form set forth in Part II of the Plan wherein the Purchaser acknowledges the condition in which he has inspected his Unit. Under no circumstances shall any item included on an Inspection Statement constitute grounds for a Purchaser to postpone or otherwise delay the date scheduled for the Closing to his Unit.

ESCROW AND TRUST FUND REQUIREMENTS

All deposits, downpayments, advances and payments made by Purchasers prior to the closing of an Unsold Unit ("Deposits") will be held in escrow in conformity with the disclosure contained in this Section of the Plan.

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto and Section 71-a(3) of the State of New York Lien Law.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the escrow agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in a Purchase Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

All Deposits made by Purchasers prior to the Closing of each individual transaction will be placed in a segregated special escrow account of Greenstein Starr Gerstein & Rinaldi LLP, the escrow agent ("Escrow Agent"), whose address is 57 West 38th Street, New York, New York 10018 and whose telephone number is (212) 398-7900. The attorneys who are signatories on this account authorized to withdraw funds, acting singly, are: Dennis H. Greenstein, Esq., Allan Starr, Esq., Victor R. Gerstein, Esq. and Lisa J. Rinaldi, Esq. Escrow Agent has established a master escrow account entitled "Greenstein Starr Gerstein & Rinaldi LLP, Escrow Account" ("Master Escrow Account") at Berkshire Bank located at 600 Madison Avenue, New York, New York 10022 ("Escrow Bank"). No bank fees of any kind may be deducted from the account principal or any interest earned thereon. Sponsor shall bear any administrative cost associated with maintaining such account. The Deposit will be placed in the Master Escrow Account within 5 business days after tender of the Deposit by Purchaser to Sponsor or Selling Agent. Any subsequent Deposit tendered by Purchaser after the Initial Deposit will be placed in the Master Escrow Account within 10 business days after tender by Purchaser to Sponsor or Selling Agent.

All Deposits will be placed initially in the non-interest bearing portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status) in the forms set forth in Part II to the Plan, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Purchase Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser. If a Purchaser does not deliver the Form W-9 or Form W-8, the Deposit will remain in the non-interest bearing portion of the Master Escrow Account. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Master Escrow Account so that checks may be drawn thereon.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the tender of the Deposit. Currently, the prevailing interest rate for such account is approximately 1.5%. If Purchaser does not receive notice that the Deposit has been placed in the Master Escrow Account within 15 business days after tender of the Deposit, Purchaser may cancel the Purchase Agreement and rescind so long as the right to rescind is exercised within 90 days after tender or crediting of the Deposit. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. Escrow Agent will not be required to

send the letter to each Purchaser referred to above in connection with any subsequent Deposits or changes in interest rate) after the Initial Deposit to Sponsor or Selling Agent and deposited into the Master Escrow Account prior to the Closing.

The Escrow Bank is covered by federal bank deposit insurance to a maximum of $100,000 per individual Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of $100,000 such Deposit will not be federally insured in excess of $100,000; and (ii) while the Deposit is in the non-interest bearing portion of the Master Escrow Account, the Deposit may not be fully federally insured even if the Deposit does not exceed $100,000.

The Deposit may be tendered by Purchaser to Sponsor or Selling Agent by either personal delivery, delivery by messenger or courier service or mailed by certified mail, return receipt requested, overnight courier or express mail service. The Deposit shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

Acceptance of the Deposit by Sponsor or Selling Agent and the Deposit thereof by Escrow Agent into escrow shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes a Purchase Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Purchase Agreement to Purchaser in accordance with the terms of the Plan.

If a Purchaser tenders a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after tender, if the Deposit has not been deposited into escrow, and (ii) within 10 business days at any time, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to Sponsor only in the event there is a "consummation of the Plan" (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. Interest will begin to accrue within: (i) 3 business days, if the Deposit is cash or cash equivalent, or (ii) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Master Escrow Account into the sub-escrow account portion of the Master Escrow Account.

All instruments shall be made payable directly to the order of "Greenstein Starr Gerstein & Rinaldi LLP, as Escrow Agent." Endorsed instruments will not be accepted.

If a check delivered by a Purchaser fails for collection, the Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been executed) at the option of Sponsor, who reserves the right to exercise this option in its discretion by written notice to Purchaser given within 10 business days of Sponsor receiving notice from Escrow Agent of such failure of collection.

If there is no written agreement between the parties to release the Deposit, Escrow Agent will not pay the Deposit to Sponsor until Escrow Agent has given Purchaser written notice of not fewer than 10 business days. Thereafter, the Deposit may be paid to Sponsor, unless Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General's regulations and has so notified Escrow Agent in accordance with such provisions and Escrow Agent has received such notice.

Sponsor will not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to:

(a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan; and

(b) all Purchasers, after an amendment abandoning the Plan is accepted for filing by the Department of Law.

The Purchase Agreement provides that Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title under the Purchase Agreement. Under no circumstances may Sponsor apply for release of escrowed funds of a defaulting Purchaser until after consummation of the Plan. Consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL Section 352-h.

Sponsor may, upon application approved by the Department of Law, elect to withdraw funds from the Escrow Account and secure all or any portion of the Deposits withdrawn by delivering to Escrow Agent one or more irrevocable letters of credit (collectively, "Letter of Credit"), in accordance with the terms and conditions set forth below. The amount of the Letter of Credit will be at least 125% of the aggregate of all Deposits expected to be received from Purchasers, and not retained in escrow, during such period of time as the Letter of Credit will be needed. Sponsor reserves the right at any time and from time to time to increase or decrease the amount of the Letter of Credit, by a duly filed amendment to the Plan provided, however, the aggregate amount of the Letter of Credit shall at no time be less than the aggregate of all Deposits, if any, withdrawn by Sponsor for use in Building construction, less any sums returned to Purchasers or otherwise disbursed in accordance with the Plan. DEPOSITS WILL CEASE TO EARN INTEREST UPON WITHDRAWAL FROM THE ESCROW ACCOUNT. The Letter of Credit shall name Escrow Agent as beneficiary to act as a fiduciary for the benefit of all Purchasers under the Plan.

The Letter of Credit will provide that Escrow Agent shall have sole power to draw upon the Letter of Credit without the consent or despite the objection of Sponsor or the issuing bank, at such times or upon such events as set forth below.

The Letter of Credit will be irrevocable during its stated term and any renewal term and shall continue in effect, or shall be periodically renewed, until the closing of title to all Units for which Deposits have been withdrawn for use in Building construction.

Escrow Agent shall be entitled to release the Deposits to Sponsor provided that the Escrow Agent has documentation showing that the Letter of Credit or renewal or replacement Letter of Credit has been issued in accordance with this Section and is in effect.

Escrow Agent, as the beneficiary of the Letter of Credit, acting as fiduciary for the benefit of Purchasers under the Plan whose funds were released from escrow, shall have the duty and the right to draw upon and collect the proceeds of the Letter of Credit, 10 business days after notice to Sponsor and Sponsor's failure or refusal to restore such funds to Escrow Agent, without the consent or despite the objection of Sponsor or the issuing bank, upon the following events or circumstances:

(a) timely rescission of a Purchase Agreement by a Purchaser pursuant to an offer of rescission contained in the Plan or an amendment to the Plan;

(b) acceptance for filing by the Department of Law of an amendment abandoning the Plan;

(c) a written agreement of Sponsor and Purchaser directing payment of the funds or a determination of the Attorney General or a order or judgment of a court of competent jurisdiction;

(d) failure by Sponsor to obtain a renewal or replacement Letter of Credit no later than 60 days prior to the expiration of the existing Letter of Credit;

(e) direction by Sponsor upon request of Purchaser; or

(f) notice of impending cancellation of the Letter of Credit has been given or received, or the issuing bank has filed a bankruptcy or insolvency petition or has been taken over by a federal or state authority, and no proper replacement of the Letter of Credit has been furnished.

Funds received by Sponsor from Purchasers for special work to be performed by Sponsor or furnishings to be provided by Sponsor in such Purchaser's Unit shall be held in escrow by the Escrow Agent but need not be held in the interest-bearing portion of the Master Escrow Account and may be released to Sponsor prior to Closing of Title to the Unit for the purpose of paying for such work or extras without additional notification to Purchasers. Accordingly, in the event Purchaser becomes entitled to rescission after the release of such funds, the Purchaser shall not receive a refund of any such funds used to pay for special work or extras which cannot readily be used in another Unit, as well as the cost of any work necessary prior to such work having been performed.

Except as set forth in the immediately preceding paragraph, Escrow Agent will hold the Deposit in escrow and in no event shall any disputed funds secured by the Letter of Credit be paid to the Purchaser nor shall the Letter of Credit be terminated, until otherwise directed in:

(a) a writing signed by both Sponsor and Purchaser; or

(b) a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations; or

(c) a judgment or order of a court of competent jurisdiction.

Purchasers and Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the Deposit and any interest thereon. Sponsor must avail itself of this procedure if there is a dispute which needs to be resolved. A form for this purpose is set forth in Part II of the Plan. The party applying for a determination must send to all other parties by certified mail, return receipt requested, a copy of the application.

Pending the determination of the Attorney General to grant or deny the application, Sponsor, Purchaser, Escrow Agent shall abide by any interim directive issued by the Attorney General. If the application permitting release of funds is granted, the deposit and any interest earned thereon shall be disposed of in accordance with the Attorney General's determination, subject to any court action in which preliminary relief is granted. The Attorney General shall act upon the application within 30days after its submission, by either making a determination or notifying the parties that for stated reasons an extension of time is necessary in which to do so. If the application seeking release of funds is denied, the Escrow Agent shall continue to hold the Deposit and any interest earned thereon, until otherwise directed in:

(a) a writing signed by both Sponsor and Purchaser directing payment to a specified party; or

(b) a judgment or order of a court of competent jurisdiction served on the Escrow Agent; or

(c) the Escrow Agent deposits the disputed amount into court.

In no event shall the Escrow Agent release funds in dispute other than a payment of such funds into court, until such dispute is finally resolved either by determination of the Attorney General or by written agreement of Sponsor and Purchaser.

Set forth in Part II of the Plan is a copy of the form of escrow agreement between Sponsor and Escrow Agent which incorporates the terms of the Attorney General's regulations.

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Deposit or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Deposit and continues to act as Escrow Agent.

Escrow Agent is acting merely as a stakeholder. Escrow Agent makes no representation with regard to and shall not be responsible for the maintenance by Sponsor of the Letter of Credit. Upon payment of the Deposit pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to the Deposit. Escrow Agent shall accept a Deposit made by check, subject to collection.

Sponsor has agreed to indemnify Escrow Agent from all costs, claims, expenses and damages incurred in connection with or arising out of the escrow agreement or the performance or non-performance of Escrow Agent's duties under the escrow agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the escrow agreement or involving gross negligence of Escrow Agent.

Sponsor has agreed to compensate Escrow Agent for services rendered in connection with Escrow Agent's duties under the escrow agreement. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

Escrow Agent will maintain all records concerning the Master Escrow Account for 7 years after the release of funds.

ASSIGNMENT OF PURCHASE AGREEMENTS

Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, which consent may be withheld or delayed in Sponsor's sole discretion. Any purported assignment by Purchaser in violation of this Section will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, then Purchaser shall be required to pay Sponsor's attorneys a fee of $750, in advance, for preparation of an assignment and assumption agreement. Any purported assignment by Purchaser in violation of this Section shall be a default by Purchaser, entitling Sponsor to the remedies set forth in the Section entitled "Procedure to Purchase", and shall be voidable at the option of Sponsor.

Notwithstanding anything to the contrary contained above, if Purchaser has signed the Purchase Agreement in an individual name (and not in the name of an entity), then Purchaser shall have a 1 time right to assign Purchaser's rights under the Purchase Agreement, in whole, but not in part, to an entity "controlled" (as such term is defined below) by Purchaser (the entity to which the rights are assignable may be a trust, limited liability company or a corporation) or to member(s) of Purchaser's immediate family, provided that (i) Purchaser designates such assignee at least 20 business days prior to the Closing Date; (ii) Purchaser delivers to Sponsor's Counsel a fee in the amount of $750 for its services required in connection with the preparation of the assignment and assumption agreement; (iii) the Closing will not be delayed as a result of such assignment; (iv) the assignee of the Purchase Agreement assumes in writing, by an instrument prepared by Sponsor's Counsel, the obligations of Purchaser under the Purchase Agreement; and (v) the assignment is made without a profit to Purchaser. As used in this paragraph, the term "control" shall mean the control, either directly or indirectly, of at least 51% percent of the voting shares or equity interests of such assignee, together with the authority to direct and manage the affairs of such assignee, which shall include Purchaser, being the managing general partner of such partnership or the principal manager or managing member of such limited liability company. Any obligations of Purchaser may be performed by such assignee, and Sponsor agrees to accept such performance as if it were the performance of Purchaser. No such assignment shall modify Purchaser's obligations under the Purchase Agreement, including without limitation, Purchaser's indemnity obligations contained in the Purchase Agreement, reduce or limit any liability or obligation of Purchaser who shall remain primarily liable notwithstanding any liability assumed by assignee. Unless Purchaser complies with the provisions of this paragraph, any purported assignment by Purchaser shall be null and void and of no effect as against Sponsor.

No Advertising

Prior to the Closing of Title, Purchaser shall not list the Unit for resale or rental with any broker or advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without Sponsor's prior written consent. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to the Closing of Title shall be a default by Purchaser, entitling Sponsor to the remedies set forth in the Section entitled "Procedure to Purchase".

EFFECTIVE DATE

The offering by Sponsor under the Plan is contingent upon the Plan being declared effective and the First Closing shall not occur until the Plan has been declared effective. The Plan may be declared effective, at Sponsor's option, at any time when bona fide purchasers, including investors, have executed Purchase Agreements with respect to not less than 15% of all Residential Units. The Plan must be declared effective at such time as Purchase Agreements have been executed and are in effect with respect to 80% of all Residential Units. The Plan will be declared effective by a duly filed amendment and a copy of such amendment will, thereafter, be delivered to all Purchasers. Sponsor will submit to the Department of Law, if requested to do so, copies of all Purchase Agreements (and any amendments or modifications thereto) within 5 business days after such request is made. The First Closing shall not occur until the Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

The Plan will not be declared effective based on Purchase Agreements: (i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) signed by Purchasers who have not been afforded at least 3 business days to review the Plan and all filed amendments prior to executing a Purchase Agreement or at least 7 days to rescind; or (iii) signed by any Purchaser who is Sponsor, the Selling Agent, the Managing Agent or a principal of either, or is related by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner of Sponsor, the Selling Agent, the Managing Agent or a principal of either, except that such a Purchaser (other than Sponsor or a principal of Sponsor) may be counted only if Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.

The Plan may be withdrawn or abandoned by Sponsor for any reason whatsoever at any time prior to its being declared effective, in which event Purchasers will be notified by Sponsor inwriting, by registered or certified mail.

Sponsor may not abandon the Plan after effectiveness for any reason other than (1) a defect in title which cannot be cured without litigation or cannot be cured for less than a stated amount which shall not be less than ½ of 1% of the total offering amount; (2) substantial damage or destruction of the Building by fire or other casualty that cannot be cured for less than a stated amount which shall not be less than 1/2 of 1% of the total offering amount; or (3) the taking of any material portion of the Property by condemnation or eminent domain. Excluded from the dollar amounts set forth in (1) and (2) above are attorneys fees and title defects or determinations of any authority or regulatory association which existon the presentation date of the Plan and are either known to Sponsor or are a matter of public record.

If the Plan is withdrawn or abandoned, all Deposits, together with any interest earned thereon, will be returned to Purchasers within 30 days following such withdrawal or abandonment. Upon the return of the Deposits, together with any interest earned thereon, the Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to Purchaser under the Plan or the Purchase Agreement. Sponsor shall promptly submit an amendment to the Department of Law confirming such abandonment or withdrawal and shall file a notice of abandonment on form RS-3 or such other form as the Department of Law may require and explain the reason for the abandonment and disposition of all Deposits received, and any interest earned thereon.

CLOSING OF TITLE TO UNITS

The Closing of Title to each Unit shall be held at the offices of Sponsor's attorneys, Greenstein Starr Gerstein & Rinaldi LLP, 57 West 38th Street, New York, New York 10018 or at such other place as Sponsor may designate. The Closing to each Unit shall take place only after or concurrently with the following events:

(a) the Plan has been declared effective in accordance with its terms and the amendment to the Plan disclosing same has been accepted for filing by the Department of Law;

(b) a temporary or permanent certificate of occupancy for the Residential Unit is in effect;

(c) the recording and/or filing of the Declaration, By-Laws, Floor Plans and engineer's and tax authority certifications required by Section 339-p of the New York Condominium Act or other applicable Law and such other documents as may be required by Law;

(d) the consummation of the Contract of Sale between Sponsor and the Property Owner;

(e) either (i) the release of the Unit and its Common Interest from the lien of all mortgages, if any, or (ii) if the Purchaser is obtaining financing on such Unit, the assignment to the Purchaser's mortgagee of any existing mortgage(s) encumbering such Unit and its Common Interest;

(f) the delivery to Purchaser of written notice of the time and place of the Closing to his Unit at least 30 days prior to the Closing Date specified therein, including a reasonable opportunity, upon reasonable prior request of Purchaser, for Purchaser to examine his Unit and the Property, during normal business hours and in the company of Sponsor's agent, prior to Closing;

(g) the delivery by Sponsor or, alternatively, at Sponsor's direction; to Purchaser of a bargain and sale deed with covenant against grantor's acts, in proper form for recording and containing the provisions set forth in subdivision 5 of Section 13 of the Lien Law upon delivery to Sponsor of the balance of the Purchase Price and such other checks and documents required pursuant to the Plan and the Purchase Agreement;

(h) the execution and delivery by Purchaser of the Unit Owner's Power of Attorney, the form of which is set forth in Part II of the Plan; and

(i) if Purchaser has requested title insurance, the issuance to Purchaser (at Purchaser's sole expense) of a policy of title insurance in at least the amount of the Purchase Price of the Unit, insuring that (i) Purchaser has fee title to his Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions, (2) liens and encumbrances (other than Permitted Encumbrances) to which his Unit's title is subject, which have been expressly accepted by Purchaser, and (3) any mortgage and related security documents that Purchaser executes in connection with the financing of the Purchase Price of his Unit and (ii) the Condominium has been validly created pursuant to the Condominium Act.

In the event of the existence of any lien or encumbrance other than Permitted Encumbrances, the sole remedy of Purchasers under the Plan will be to rescind their respective Purchase Agreements within 15 days after receipt of notice or an amendment disclosing such lien or encumbrance. A Purchaser electing to proceed with the purchase of his Unit will not be entitled to any credit against, or abatement of, the Purchase Price set forth in his Purchase Agreement and will have no claim or right of action against Sponsor by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money to make title marketable or to eliminate any encumbrances or title defects,

except to incur expenses up to the aggregate amount of 1/2 of 1% of the total offering amount in respect of any one or more Units or the Property.

If Sponsor fails or refuses to correct any title defect, then, provided Purchaser is not then in default, the Purchaser's sole right will be to either (i) take title subject to the title defect (without abatement in or credit against the Purchase Price or claim or right of action against Sponsor for damages or otherwise) or (ii) cancel the Purchase Agreement. If Purchaser elects to terminate the Purchase Agreement, Sponsor shall cause the Deposit together with any interest earned thereon, to be returned to Purchaser, within 30 days after receipt of Purchaser's termination notice. Upon making such refund, Sponsor and Purchaser shall be relieved of all further obligations and liabilities under the Purchase Agreement and the Plan. The foregoing option must be exercised by Purchaser in writing sent to Sponsor within 15 days after the giving of Sponsor's notice of refusal to remedy the title defect. IF THE PURCHASER FAILS TO NOTIFY SPONSOR OF HIS ELECTION WITHIN 15 DAYS AFTER SPONSOR NOTIFIED PURCHASER OF SPONSOR'S REFUSAL TO REMEDY THE TITLE DEFECT, IT WILL BE CONCLUSIVELY DEEMED THAT PURCHASER ELECTED TO ACQUIRE TITLE SUBJECT TO THE TITLE DEFECT.

The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments.

The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and in General Business Law Section 352-e to survive delivery of the deed.

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

As more particularly set forth in the Purchase Agreement, in addition to the Purchaser's legal fees, the Purchaser will pay the following estimated closing costs and expenses at the time of the Closing of Title of his Unit. Recording charges, fees, title costs and taxes are based on rates in effect on the date of the Plan and are subject to change without notice.

(a) A contribution to the Working Capital Fund of the Condominium in an amount equal to 2 months' Common Charges then applicable to each Unit being purchased.

(b) If the Purchaser is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), the Purchaser shall pay to the Condominium Board an amount equal to the Common Charges for such Unit for a period of two years as security for the faithful observance by such Unit Owner of the terms, provisions and conditions of the By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of the By-Laws, the Condominium Board may use, apply, or retain the whole or any part of the security so paid in advance to the extent required for the payment of any Common Charges or any other sums as to which such Unit Owner is in default; and such Unit Owner shall, within 30 days after notice from the Condominium Board, deposit with such Condominium Board the amount so applied or retained so that at the option of such Condominium Board, such Board shall have the full amount of said security on hand at all times.

(c) If Purchaser elects to obtain fee title insurance, Purchaser will pay the premium therefore, which will vary depending upon the amount requested. If ordered from Commonwealth Land Title Insurance Company, having an office at 655 Third Avenue, New York, New York 10017, (212) 949-0100 ("Commonwealth"), the premium will be calculated at a discounted rate of 70% of the standard fee policy rates in accordance with the following discounted rate schedule:

FEE BULK RATE SCHEDULE

(70% Rate)

AMOUNT OF INSURANCE	PREMIUM
First $35,000 or less	$ 260.00
From $35,001 to $50,000	$ 4.30 per Thousand
From $50,001 to $100,000	$ 3.51 per Thousand
From $100,001 to $500,000	$ 2.82 per Thousand
From $500,001 to $1,000,000	$ 2.58 per Thousand
From $1,000,001 to $5,000,000	$ 2.37 per Thousand
From $5,000,001 to $10,000,000	$ 2.10 per Thousand
From $10,000,001 to $15,000,000	$ 1.99 per Thousand
From $15,000,001 and up	$ 1.79 per Thousand

Note - The minimum Premium for a fee policy is $371.

(d) If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance from Commonwealth, the premium for the fee title insurance will be

calculated as described in paragraph (a) above. The premium for the mortgage title insurance that does not exceed the fee policy will be calculated at a discounted rate of 21% of the standard mortgage policy rates in accordance with the following discounted rate schedule:

SIMULTANEOUS MORTGAGE BULK RATE SCHEDULE

(21% Rate)

AMOUNT OF INSURANCE	PREMIUM
First $35,000	$ 66.78
From $35,001 to $50,000	$ 1.07 per Thousand
From $50,001 to $100,000	$ .88 per Thousand
From $100,001 to $500,000	$ .71 per Thousand
From $500,001 to $1,000,000	$ .64 per Thousand
From $1,000,001 to $5,000,000	$ .59 per Thousand
From $5,000,001 to $10,000,000	$ .53 per Thousand
From $10,000,001 to $15,000,000	$ .50 per Thousand
From $15,000,001 and up	$ .45 per Thousand

A form of Unit Owner's Specimen Title Policy, if title insurance is ordered from Commonwealth, is set forth in Part II of the Plan.

(e) A fee for recording the deed and Unit Owner's Power of Attorney, being $17 for each instrument plus $5 per page together with a fee of $25 for filing the New York City Real Property Transfer Tax Return ("City Tax Return").

(f) Although, by law a Seller's obligation, as is customary in the sale of new construction luxury condominiums, Purchasers are obligated to pay New York State Real Estate Transfer Tax ("State Transfer Tax") currently equal to $2 per $500 of Purchase Price plus the New York City Real Property Transfer Tax ("RPT Tax") currently equal to 1% of the Purchase Price where the Purchase Price is $500,000 or less and 1.425% of the Purchase Price where the Purchase Price is more than $500,000. In addition, if applicable, Purchasers must pay a special additional tax of 1% where the Purchase Price equals or exceeds $1 million ("Mansion Tax").

The City of New York, Department of Finance has taken the position that where the purchaser of property assumes the obligation for the State Transfer Tax and the RPT Tax, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be treated as additional consideration for the transaction subject to tax. Consequently, the amount of the RPT Tax is computed as follows:

	Purchase Price $500,000 or less	Purchase Price Greater than $500,000
Tentative City Tax:		
Consideration	$ 400,000	$ 600,000
Tax Rate	x 1%	x 1.425%
Tentative tax	$ 4,000	$ 8,550
Tentative State Tax:		
Net Consideration	$ 400,000	$ 600,000
Rounded to nearest $500	$ 400,000	$ 600,000
Tentative tax ($2 per $500)	$ 1,600	$ 2,400
City Tax:		
Consideration	$ 400,000	$ 600,000
Tentative taxes	+ 5,600	+ 10,950
Taxable Consideration	$ 405,600	$ 610,950
Tax Rate	x 1%	x 1.425%
City Tax	$ 4,056	$ 8,706
State Tax:		
Net Consideration	$ 400,000	$ 600,000
Tentative taxes	+ 5,600	+ 10,950
Taxable Consideration	$ 405,600	$ 610,950
Rounded to nearest $500		
Tax Rate ($2 per $500)	$ 406,000	$ 611,000
State Tax	$ 1,624	$ 2,444

Thus, the effective RPT tax rate is approximately 1.014% of the Purchase Price where the Purchase Price is $500,000 or less and 1.451% where the Purchase Price is greater than $500,000. A similar position has been taken by the New York State Department of Taxation and Finance and as a result the effective tax rate for the State Transfer Tax is $4.06 per thousand dollars of the Purchase Price for the Unit where the consideration is $500,000 or less and $4.074 per thousand dollars of the Purchase Price of the Unit where the consideration is greater than $500,000. Payment by the Purchaser of the Mansion Tax is not considered additional consideration to Sponsor for purposes of the calculation of the State Transfer Tax.

Sponsor has been advised by Commonwealth that, with respect to the purchaser of multiple Residential Units, the Department of Finance takes the position that: (i) the lower tax rate (either 1% if the consideration is $500,000 or less, or 1.425% if the consideration is greater than $500,000) applies only in the case of a transfer of "an individual residential condominium unit"; and (ii) the higher tax rate (either 1.425% if the consideration is $500,000 or less, or 2.625% if the consideration is greater than $500,000) applies if a purchaser acquires more than 1 individual Residential Unit.

(g) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording taxes, mortgage recording fees, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts

determined by governmental authorities and such lender. Currently, the mortgage recording tax for mortgages under $500,000 is 2% of the face amount of the mortgage and 2.125% of the face amount of the mortgage if the mortgage is $500,000 or more. Of the total tax due, the mortgagee pays an amount equal to 0.25% of the face amount of the mortgage. In addition, there is a $25 exemption for residential property. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources.

In addition to the above-specified costs and expenses, a mortgage on a Unit may provide that the Unit Owner deposit monthly with the lender 1/12 of the estimated annual real estate taxes and tax assessments which are assessed or will be assessed against the Unit, together with 1/12 of the annual fire and casualty insurance policy premiums for the Unit, or other amounts and, at Closing, Purchaser may be required to deposit with the lender a multiple of the aggregate of such 1 month's real estate taxes, tax assessments and insurance premiums, or other amounts, in order that sufficient funds will be available for the lender to pay the same when due.

(h) Fees payable to Sponsor's attorney, Greenstein Starr Gerstein & Rinaldi LLP, in accordance with the following schedule, all of which fees will be cumulative to the extent applicable to any individual closing:

(1) $1,250 for the preparation of closing documents, calculation of adjustments, attendance at Closing at the offices of Greenstein Starr Gerstein & Rinaldi LLP, or such other place as Sponsor may designate and supervision of execution of closing documents;

(2) If Purchaser requires that the Closing occur other than at the office of Greenstein Starr Gerstein & Rinaldi LLP, or such other place as Sponsor may designate, and Sponsor consents to such change, an additional attendance fee of $250 for each Closing held within Manhattan and $500 for each Closing held in any borough outside Manhattan.

(3) $500 if title insurance is ordered from a company other than Commonwealth;

(4) If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, a fee of $750, payable in advance, for preparation of an assignment agreement.

(5) If through no fault of Sponsor, Purchaser fails to close on the date scheduled for Closing, then Purchaser shall pay to Greenstein Starr Gerstein & Rinaldi LLP, an additional fee of $350 for each rescheduled Closing to help defray the cost of preparing and coordinating the Closing and recalculating the Closing apportionments.

Purchaser may pay more than one fee pursuant to (h) above with respect to a Unit. In addition to an attendance fee in connection with a completed Unit transfer, Greenstein Starr Gerstein & Rinaldi LLP, shall also be entitled to an attendance fee in the amount set forth above if they attend a scheduled Closing but the Closing is adjourned due to Purchaser's failure to comply with Purchaser's closing obligations. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one request.

(i) If Purchaser has dealt with any broker other than the Selling Agent or any other broker engaged in writing by Sponsor in connection with his purchase, then Purchaser will be required to pay any commission due to such broker.

(j) If Purchaser obtains a mortgage loan, the Purchaser will pay Sponsor or at Sponsor's direction, a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid in connection with any existing mortgage(s);

All legal costs, fees and expenses of Greenstein Starr Gerstein & Rinaldi LLP, other than those specifically set forth above, will be the sole responsibility of Sponsor.

Illustration of Closing Costs

A numerical example for the typical closing costs and expenses for a single Residential Unit with a purchase price of $1,220,000 are set forth below. All tax rates, title insurance premiums and recording rates are subject to change.

Sample Closing Costs:
(By way of illustration only)

1. Working Capital Contribution..... $2,393
2. Title insurance for Fee $2,891
3. Recording and pick-up costs for deed and power of attorney (approximately)..... $135
4. RPT ..... $17,702 (+ $25 filing fee)
5. State Transfer Tax..... $4,970
6. Mansion Tax $12,423
7. Legal fee of Sponsor's attorney (for Closing, at the office of Sponsor's attorney)..... $1,250

Purchasers should note that adjustments for various closing items including Common Charges and real estate taxes will be made at Closing.

The foregoing projections assume that title insurance is purchased from Commonwealth and that Purchaser closes without delays or the imposition of penalties. If Purchaser obtains a mortgage loan Purchaser can expect to incur additional fees for mortgage title insurance (with benefit of simultaneous rates), mortgage recording taxes and fees and other closing fees set forth in Section (h) above. Purchasers are advised to consult with prospective lenders for a detailed projection of related financing costs.

It is specifically understood that, at Closing, each Purchaser may pay all or a portion of the mortgage recording tax to Sponsor or, at Sponsor's direction, to the extent of any mortgage tax credit allowed.

Closing Adjustments

At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Common Charges and assessments for the month in which title closes and (c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering Purchaser's Unit. In the event the Units have not been separately assessed for real estate tax purposes

prior to the First Closing, Sponsor shall either (i) place in a special escrow account at Greenstein Starr Gerstein & Rinaldi LLP an amount equal to the unpaid real estate taxes which will be payable with respect to the Property for the 6 month period following the First Closing or until the Units are separately assessed, whichever is shorter, or (ii) provide a surety bond or letter of credit in an amount equal to the unpaid real estate taxes in favor of the Condominium Board and each Unit Owner. Sponsor will pay the real estate taxes with respect to the Property from the special escrow account as and when such taxes become due and payable, and Sponsor will be reimbursed for such payments by the Condominium. Until the Units are separately assessed and billed, each Unit Owner will pay his pro rata share (in the proportion that his Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes and assessments with respect to the Property to the Condominium. The Condominium will pay such taxes either to the Finance Administration of The City of New York or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay his pro rata share as set forth above, the Condominium, as the case may be, will have a lien on such Unit for non-payment thereof, as if such charges were Common Charges. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners--Common Charges: Collection and Lien for Non-Payment" for further details.) At such time as a Unit is separately assessed and separately billed, the Unit Owner will pay such taxes directly to the taxing authority.

Subsequent to the First Closing, all Unit Owners (including Sponsor) will be required to pay to the Condominium on a monthly basis such Unit Owner's share of real estate taxes until such time as the Units are separately assessed.

If a Purchaser fails for any reason to close title to his Unit on the Scheduled Closing Date, (a) the closing apportionments described above will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the Actual Closing Date occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to .05% of the Purchase Price of his Unit for each day starting from (and including) the Scheduled Closing Date to (and including) the day before the Actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the Scheduled Closing Date, these provisions shall apply to the Rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the Rescheduled Closing Date.

Except as specifically set out in the Plan, Sponsor must pay all costs and expenses incurred in connection with the promulgation and consummation of the Plan and the sale of Units by Sponsor, including, but not limited to, all selling expenses and commissions payable to Selling Agent for the sale of Units pursuant to the Plan, advertising, printing and architects' fees, the fees of Sponsor's attorneys, engineering and appraisal costs and governmental filing fees, whether incurred prior or subsequent to the effective date of the Plan, in connection with the obligations of Sponsor (see the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations with Respect to the Building

Sponsor shall have the following obligations and all Purchasers upon execution of their respective Purchase Agreements will be deemed to have accepted, approved and agreed to abide and be bound by the following:

(a) Sponsor reserves the right to make any changes in the proposed Condominium Documents and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of the Unsold Units; provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner or Purchaser, increase any obligations of Unit Owners or Purchasers to any adverse and material degree and any substitution of equipment or materials will not be of lesser quality or design.

(b) Property Owner has procured a mortgage loan from Fremont Investment and Loan for $39.4 million and mezzanine financing from Lehman Brothers for $15.6 million all for construction of the Building. Property Owner receives advances each month, so long as it complies with the provisions of the loans regarding its responsibilities to use the funds advanced in the agreed manner, and generally to proceed with the construction as agreed to in the loan documents.

(c) The offering by Sponsor under the Plan is contingent upon the Plan being declared effective and the First Closing shall not occur until the Plan has been declared effective. The Plan may be withdrawn or abandoned by Sponsor for any reason whatsoever at any time prior to its being declared effective. (See the Section of the Plan entitled "Effective Date" for further details).

(d) Sponsor will perform such work and supply such materials, or will cause the same to be performed and supplied, as is necessary in order to complete the construction of the Building with a quality of construction comparable to the currently prevailing local standards and substantially in accordance with the Plans and Specifications for the construction work filed with the Department of Buildings of the City of New York and other appropriate governmental authorities.

(e) Based upon its current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, the construction of the Building will be sufficiently completed to permit Closings of Units to begin on or about September 1, 2002. If the First Closing is delayed for 12 months or more beyond September 1, 2002, Sponsor will offer all Purchasers the right, for at least 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits together with any interest earned thereon. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may likely extend significantly beyond such dates. Purchasers will not be excused from paying their full Purchase Prices (without credit or set-off) and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to their Units is delayed or postponed by Sponsor. In the event the actual or anticipated commencement date of the first year of Condominium operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the Unit Owner's Common Charges in the amended budget exceed those in the latest budget included in the Plan by 25% or more, Sponsor will, in the amendment disclosing such budget, offer all Purchasers the right, for at least 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under his Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

(f) Sponsor is obligated to bear all costs and expenses incurred in connection with completing construction of the Building substantially in accordance with the Plans and Specifications. During the course of construction, Sponsor retains the right to change the Plans and Specifications, substitute equipment or materials, and modify layout or design but Sponsor may not substitute equipment or materials of lesser quality or design or change the size or location of Units, improvements or Common Elements if such changes affect the percentage of Common Interests or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change.

(g) Upon the recording of the Declaration, Sponsor will deliver, assign, or otherwise grant to the Condominium Board, on behalf of all Residential Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from contractors, suppliers, or others in connection with the construction and equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in any Residential Unit shall be assigned to Purchaser of such Residential Unit on the date of closing of title thereto including the warranties and undertakings received by Sponsor which relate to appliances, equipment, or fixtures located in the Residential Units and the Common Elements. Sponsor makes no representation as to which, if any, of the warranties and other undertakings will continue to remain in force upon the Closing of any particular Residential Unit.

(h) If, as of the First Closing, only a temporary certificate of occupancy has been issued for the Residential Unit, Sponsor will use all reasonable diligence to cause the Buildings Department to continuously renew the temporary Certificate of Occupancy until a permanent certificate of occupancy for all of the Units has been issued. Sponsor will, at its sole cost and expense, do and perform all work and will supply for the Building all materials that shall be necessary in order to cause the temporary certificate of occupancy to be continuously renewed and to obtain a permanent certificate of occupancy. Sponsor shall not be responsible for delays in obtaining the permanent certificate of occupancy due to work undertaken in individual Units by Unit Owners. Prospective Purchasers are advised that a permanent certificate of occupancy is required for permanent use of the Building and that a temporary certificate of occupancy may be renewed only for a total of 2 years from the date of first issuance.

(i) If a permanent certificate of occupancy for the Building has not been issued prior to the First Closing, Sponsor will be obligated to: (i) direct the Escrow Agent to hold and maintain those monies received pursuant to all Purchase Agreements which would otherwise be payable to Sponsor in the special trust account required by the General Business Law of the State of New York, Sections 352-e(2)(b) and 352(h), provided, however, that if Sponsor's Architect certifies that a lesser amount than the amount held in the special trust account is reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy, then the amount exceeding the sum so certified by the Sponsor's Architect shall be released from the special escrow account to Sponsor; or (ii) Sponsor shall deposit with Escrow Agent cash or an unconditional, irrevocable letter of credit or post a surety bond in an amount Sponsor's Architect, from time to time, certifies is reasonably necessary to complete the work needed to obtain the permanent certificate of occupancy. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for further details.)

(j) Construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems. During the 1st years of condominium operation, construction workers and related personnel will be at the Building from time to time making adjustments and performing various tasks relating to the completion of construction. Various systems, including but not limited to water supply, air conditioning, heating, ventilating and elevators, may require substantial time after any Closing to complete and may need to be shut down

temporarily. Various other adjustments to windows and elevators and other systems may require substantial time after the Closing to be completed.

(k) Sponsor has no obligation to repair or improve the Residential Units, the Common Elements or the Facilities used in connection with the operation of the Building except as otherwise expressly provided in the Plan. Sponsor agrees to complete construction and to cause all mechanic's liens with respect to the construction of the Building to be promptly discharged or bonded (all subject to Sponsor's rights to abandon the Plan).

(l) Each Residential Unit and the fixtures and personal property contained therein, are being sold and delivered "AS IS", as described in the Plan, at the time of transfer of title to such Residential Unit unless Sponsor and the Purchaser of such Residential Unit otherwise agree in writing. The Purchaser of a Residential Unit shall inspect such Residential Unit prior to the Closing Date and shall execute at such time an Inspection Statement acknowledging the Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the Purchase Agreement for such Residential Unit or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and the Purchaser will at the time of such execution agree upon and set forth in the Inspection Statement a list of the incomplete work to be completed in the Residential Unit by Sponsor following the Closing for such Residential Unit. Sponsor's obligation thereunder shall survive delivery of the deed to the Purchaser. The failure of Sponsor to complete such work shall not be a ground for the Purchaser to delay the Closing. Sponsor and its contractors, subcontractors agents and employees, will have a right of access to enter the Residential Unit after Closing in order to complete the work on the Inspection Statement.

(m) Article 36-B of the New York General Business Law ("Housing Merchant Implied Warranty Law") does not apply to this offering. Sponsor will correct, repair, or replace any and all defects relating to construction of the Building, or in the installation or operation of any appliances, fixtures, or equipment therein, or will cause the same to be corrected, repaired, or replaced, but only if:

(1) such defects are due to substantially improper workmanship or construction practices or the use of materials that are substantially and materially at variance with the Plans and Specifications for the same; and

(2) Sponsor is notified of the same in accordance with the following, which notice shall be by certified mail, return receipt requested:

(i) with respect to any latent defect (that is, a defect that is not visually ascertainable) in the construction of a Residential Unit, within 6 months of the first occupancy of such Residential Unit; or

(ii) with respect to any patent defect in the construction of a Residential Unit within 3 months of the first occupancy of such Residential Unit, provided such patent defect is not caused by the use of the Residential Unit Owner.

The method of correcting any defect will be selected by Sponsor in its sole discretion. The quality of construction as to any such correction will be comparable to local standards customary in the particular trade or trades involved and will be in accordance with the Plans and Specifications.

Sponsor will be conclusively considered to have discharged any obligation that it may have with respect to any defects, whether patent or latent, if:

a. Sponsor is not notified of the existence of such defect, in the manner and within the appropriate time period specified above;

b. The Condominium Board and/or the Managing Agent and/or the Residential Unit Owner fails to allow prompt access to the Residential Unit in question by Sponsor or Sponsor's contractors; or

c. Sponsor has corrected, or caused the correction of, the defect in accordance with the practice of the industry, as determined by Sponsor's general contractor, architect, or engineer, in their sole judgment.

(n) Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Residential Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including appliances and bathroom fixtures):

(i) with respect to which assignable warranties or other undertakings (however denoted) from manufacturers, contractors, materialmen, or others which are assigned to the Condominium Board and/or any Residential Unit Owner;

(ii) resulting from normal wear and tear, natural deterioration, normal settling, deflection, or shifting of the Building; or

(iii) that are not of a material nature, including, without limitation, the following:

a. death of trees or landscape improvements, cracks in roof ballast, or concrete cracks that do not impair the structural soundness of the Building, including cracks or discoloration in concrete used walls and paving, leaching or color variation in colored mortar, tiles and brick, dimensional variations in brick joints, mortar droppings on bricks, pounding and/or controlled drainage on roof and terrace surfaces, terrace tiles not laid flat, stained tiles, and cracks in pressure treated wood used, or intended for use, outside the Building;

b. protruding dry wall fastenings, nail pops, ridging on gypsum board, slight variations in gypsum board taping visible only under certain lighting conditions, walls not square, lumber shrinkage, painting defects, electrical plates not straight, slight separation between base and floor, variations in floor and ceiling levels, carpet or floor discoloring or stretching, variations in width, length, thickness, finish, or color range of wood floors, ceiling imperfections, and stains, runs, lumps, shags, or imperfections in weave in fabric panels;

c. door or window sticking due to weather, door warpage (including warpage of the main entrance door to a Unit within reasonable tolerances of doors of similar size, weight and quality), adjustment of bi-fold doors, and air and water infiltration from windows in excess of industry standards;

d. variations in tone or color of natural stone or variations in tone or color of vanity tops or other natural stone surfaces, slight scratches in plastic laminate, vitreous china, natural stone, wood, stainless steel, or porcelain surfaces, discoloration to hardware and plumbing finishes, cracked bath tile grouting, variation in grouting thickness, and misalignment of bathroom finishes;

e. variations in wood floor stains and finishes caused by normal foot traffic during construction and sales periods;

f. normal plumbing, heating, air-conditioning, ventilating, and floor noises and creaking;

g. repair of chips, scratches, mars, breaks, dents, cracks, and other defects in any windows and window sashes, sliding glass doors, shower doors, louvers, insulation attached to the curtain wall, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, water closets, kitchen cabinets, backsplashes, and countertops, vanity tops and cabinets, tile or natural stone floors and walls, saddles, appliances, woodwork, millwork, doors, mirrors, and hardware; and

h. normal wear, including chips, to passenger elevator cabs, cab doors, elevator door frames, cab panels, apartment doors and apartment door frames.

Notwithstanding the foregoing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filing or refinishing the same not caused by the use of the Units by Unit Owners, but Sponsor will not be obligated to replace any such surfaces.

THE ITEMS AND CONDITIONS DESCRIBED ABOVE IN (III) ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING. PURCHASERS WHO PURCHASE A UNIT IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR UNITS OR THE COMMON ELEMENTS. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF SUCH ITEMS AND CONDITIONS AND SHALL NOT BE LIABLE TO ANY PURCHASER OR CONDOMINIUM BOARD THEREFOR. IF PURCHASER OR CONDOMINIUM BOARD DESIRES TO CORRECT OR REPAIR ANY SUCH ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THE PURCHASER OR CONDOMINIUM BOARD WILL HAVE TO PROCEED AT ITS SOLE COST AND EXPENSE AND/OR ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO IT BY SPONSOR.

(o) NOTHING CONTAINED IN THIS SECTION WILL BE CONSTRUED SO AS TO RENDER SPONSOR LIABLE FOR CONSEQUENTIAL DAMAGES (WHETHER BASED ON NEGLIGENCE, BREACH OF CONTRACT, BREACH OF WARRANTY, OR OTHERWISE), IT BEING INTENDED THAT SPONSOR'S SOLE OBLIGATION UNDER THIS SECTION WILL BE TO REPAIR OR REPLACE ANY DEFECTIVE ITEM OF CONSTRUCTION UPON, AND SUBJECT TO, THE TERMS AND CONDITIONS SET FORTH ABOVE. ADDITIONALLY, EXCEPT AS EXPRESSLY SET FORTH ABOVE, SPONSOR WILL HAVE NO OBLIGATION TO CORRECT OR REPAIR ANY DEFECTIVE OR OTHER CONDITIONS IN THE BUILDING (INCLUDING IN THE UNSOLD UNITS AND THE COMMON ELEMENTS) OR IN, OR WITH RESPECT TO, ITS INSTALLATIONS, APPARATUSES, FIXTURES, FINISHES, MATERIALS, AND APPURTENANCES. ASIDE FROM ANY SPONSOR WARRANTIES AND UNDERTAKINGS WITH RESPECT TO THE CONSTRUCTION AND COMPLETION OF THE BUILDING CONTAINED IN THIS SECTION, NO OTHER WARRANTIES OR UNDERTAKINGS SHALL BE IMPLIED.

(p) Except for those warranties or guarantees provided to Sponsor by contractors, manufacturers or suppliers, which Sponsor will assign or cause to be assigned to the Condominium Board and/or Unit Owners, as appropriate, Sponsor does not make any warranty of any kind, express or implied, and Sponsor hereby discloses any and all warranties, including but not limited to, implied warranties of merchantability and fitness for a particular purpose, with respect to the construction of the Units and the Common Elements and with respect to the personal property located within the Units, the Common Elements, and the Unit Owners assume all risk and liability from the use of this property.

(q) Prior to the Closing of Title for each Unit, Sponsor will cause such Unit and its Common Interest, benefits, rights and easements as described in the Declaration and By-Laws to be released from the lien of any mortgages or security agreements encumbering the Unit (other than any mortgage or security agreements obtained by the Purchaser).

(r) Sponsor will bear all costs and expenses incurred by it in connection with the preparation of the Plan and all selling expenses and compensation payable to sales or other personnel of Sponsor.

(s) Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the construction and equipping of the Building in accordance with the New York Lien Law, for work performed and fixtures, material and equipment supplied or installed during construction thereof and will cause any and all mechanics' liens arising out of such construction and equipping, if any, to be discharged by bonding, or otherwise, promptly after the filing of any such liens.

(t) No Closing of a Unit will occur prior to the issuance of a temporary certificate of occupancy for the Unit. Sponsor will perform or cause to be performed any work and/or supply any material necessary to obtain a permanent certificate of occupancy for the Units no later than the expiration of the temporary certificate of occupancy, unless extended.

(u) Sponsor shall have only such obligation to defend any suit or proceeding arising out of Sponsor's acts or omissions or to indemnify the Condominium Board or Unit Owner(s) in any such action or proceeding as is required by law.

(v) Sponsor will deliver or cause to be delivered to the Condominium Board copies of all of the mechanical, electrical and plumbing drawings for the Building.

(w) In accordance with Section 339-p of the Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans are an accurate copy of portions of the Plans of the Building as filed with and approved by the municipal or other governmental authority having jurisdiction over the issuance of permits for the construction of the Building and, in addition, such architect or professional engineer shall make periodic inspections at various stages of construction to determine that the Building is built in accordance with such plans.

(x) Sponsor will pay or cause to be paid, all Common Charges, Special Assessments and real estate taxes allocated to any Unsold Residential Units in accordance with the provisions of the By-Laws. Sponsor expects to have the financial resources to meet the aforesaid obligations with respect to Unsold Residential Units and to fund same from income from projected sales, the rental or leasing of Unsold Residential Units and Sponsor's other financial resources. No bond or other security will be posted by Sponsor with respect to this obligation.

(y) Sponsor will initially procure on behalf of the Condominium Board the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws. Such insurance shall be issued pursuant to an agreed amount replacement value policy in an amount sufficient to avoid co-insurance. The cost of which insurance has been reflected in the First Year's Budget (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for further details.)

(z) Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection, by prospective Purchasers and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such

inspection for a period of 6 years from the date of the recording of the Declaration. In addition, a set of Floor Plans showing the layout, location and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's office when the Declaration is recorded and amended, and an additional set will be furnished to the Condominium Board.

(aa) Sponsor is obligated to deliver or cause to be delivered to the Condominium Board all books of account and records pertaining to the Building's operation which are in Sponsor's possession on the First Closing.

(bb) In the event of the dissolution or liquidation of Sponsor or the transfer of 10 or more Residential Units or 20% or more of the total number of Units in the Condominium, whichever is less, to a single Purchaser, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all obligations of Sponsor for those Residential Units under the Plan and Laws.

(cc) Following the issuance of a final certificate of occupancy, Sponsor will deliver a complete set of "as-built" construction documents to the Condominium Board.

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Unsold Residential Units. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personalty or fixtures contained therein.

Obligations of Sponsor hereunder with respect to the Building shall be enforceable by the Condominium Board on behalf of all Unit Owners. Obligations of Sponsor shall be enforceable by individual Unit Owners if either (i) the Condominium Board fails to take reasonable action to enforce such obligations within 120 days following the giving of notice of such claim by any Residential Unit Owner to the Condominium Board or (ii) the applicable statute of limitations with respect to any claim by a Residential Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid 120 day period. In addition, to the extent permitted by Law, Sponsor will have no liability to any Purchaser, subsequent purchaser of a Residential Unit, Residential Unit Owner, or Condominium Board with respect to its obligations under the Plan (other than for actual, non-consequential damages, including property damage, personal injury or wrongful death, arising as a result of the negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in the Plan) in excess of the net proceeds paid to Sponsor from the sale of all Unsold Residential Units after payment of, or reasonable reserve for, any liabilities of Sponsor arising out of the consummation of the transactions contemplated in the Plan.

Except as set forth above or as required by Law, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan shall survive the delivery of the respective deeds to the Residential Units to Purchasers.

In the event Sponsor is unable to perform its material obligations under the Plan, all sales will cease, Sponsor will promptly submit an amendment to the Plan setting forth its inability to perform such material obligations under the Plan, and will offer all Purchasers the right to rescind their Purchase

Agreements within not less than 15 days after the Presentation Date of the amendment. Any Purchaser electing rescission pursuant to the offer will have their Deposit and any interest accrued thereon returned.

The foregoing sets forth the entire obligations of Sponsor hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Residential Unit Owners under their respective Purchase Agreements. Sponsor makes no representations or warranties other than as set forth in the Plan.

The terms of the Plan will govern in the event of a conflict between the Plan and any other document or advertisement used in connection with the Plan.

Use of Unsold Units

Sponsor reserves the right, without prior notice or amendment to the Plan, to use any Unsold Units as sales, rental offices and model apartments and in any other manner in compliance with Law, including directly or through an agent, affiliate or designee, to rent or lease any Unsold Unit. In the event Sponsor thereafter elects to sell any such Unsold Unit, Sponsor may require the Purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the Purchase Price for such Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to the Purchaser of such Residential Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the Purchase Price for such Residential Unit.

CONTROL BY SPONSOR

The Condominium Board shall initially consist of 3 persons designated by Sponsor. The Condominium Board will call for the first annual meeting of the Unit Owners to elect a new Condominium Board approximately 30 days after the earlier to occur of: (i) the first anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan to Residential Units having at least 90% of the aggregate Common Interest appertaining to all Residential Units.

Commencing with the first annual meeting, the Condominium Board shall consist of 8 persons. Of the 8 persons, 5 will be Residential Members, of which either 1 or 3 shall be designated by Sponsor (depending on whether or not during the Initial Control Period) and the balance shall be elected by the Residential Unit Owners. Of the three Commercial Members: (i) 1 shall be designated by the Garage Unit Owner, (ii) 1 shall be designated by the Retail Unit Owner; and (iii) 1 shall be designated by the Reserved Unit Owner (collectively the "Commercial Members") will comprise the balance of the Condominium Board. The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

Sponsor will control the Condominium Board until the earlier of: (i) the Closing of Title with Purchasers under the Plan to Residential Units, or (ii) 2 years after the First Closing ("Initial Control Period").

Within 30 days after the Initial Control Period, 2 of the 3 Residential Members of the Condominium Board designated by Sponsor shall resign and their replacements shall be filled by a majority vote of the remaining Residential Members of the Condominium Board (excluding members designated by Sponsor) at a special meeting thereof called for such purpose.

So long as Sponsor shall continue to own 1 Unsold Residential Unit, Sponsor shall have the right to designate 1 Residential Member to the Condominium Board. Sponsor shall not be precluded by designating members from also voting its Common Interests attributable to the Unsold Residential Units for the remaining Residential Members of the Condominium Board.

The number of members of the Condominium Board may not be increased or decreased without the consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Unit.

Until Sponsor no longer elects a majority of the members of the Condominium Board, Sponsor will through its control of the Condominium Board, have control of the maintenance and operation of, and the services to be provided by, the Condominium and will determine the Common Charges to be paid by all Unit Owners.

So long as Unsold Residential Units constitute at least 25% of the aggregate Common Interests appertaining to all Residential Units, but in no event later than 5 years after the First Closing, whichever shall first occur, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements unless the same are required by Law; (b) assess any Common Charges or Special Assessments for the creation of, addition to or replacement of or addition to all or part of a working capital, reserve, contingency or surplus fund; (c) increase or decrease the number, or change the kind of employees from that described in the First Year's Budget; (d) enter into any service or maintenance contract for work or otherwise provide services not covered in the First Year's Budget, except as is required to reflect normal annual increases in operating services; (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to

CONDOMINIUM BOARD

The affairs of the Condominium shall be governed by the Condominium Board. The term of office of the members of the Condominium Board shall be for 1 year or until their successors are elected. Members of the Condominium Board shall serve without compensation. Any member of the Condominium Board may resign his membership at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for further details.)

A Residential Member of the Condominium Board may be removed with or without cause by an affirmative vote of a Majority of Residential Unit Owners who are present at a meeting containing a quorum of Residential Unit Owners; provided, however that any Residential Member designated by Sponsor may only be removed for cause and may only be replaced by Sponsor; and further provided, however, that the Commercial Members of the Condominium Board may only be removed by the Unit Owner who, in each case designated such Commercial Member, who alone shall have the right to designate a replacement. No member of the Condominium Board shall continue to serve on the Condominium Board if, during his term of office, such member shall cease to be a Unit Owner or an interested party as described in the By-Laws; provided, however, that this provision respecting Unit ownership and Condominium Board membership shall not apply to members of the Condominium Board designated by Sponsor or the Commercial Unit Owners.

The Board of Managers shall not discriminate against any person because of his or her race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other grounds proscribed by Law.

Upon the affirmative vote of a majority of the members of the Condominium Board, any officer may be removed with or without cause. A successor officer may be elected by a majority vote of the Condominium Board at any regular Condominium Board meeting or at any special Condominium Board meeting called for such purpose.

To the extent permitted by Law, Board Members will have no liability to Unit Owners except for liability for his or her own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Board Member, any Unit Owner, Declarant, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in the cases of bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests indemnify each Board Member against any liability or claim except those arising out of the bad faith or willful misconduct of such Board Member.

enable the Condominium Board to comply with Law, remedy any notice of violation, or remedy any work order of the Condominium's insurer.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Units

Each Unit Owner may sell or lease his Unit for terms of 1 year or more provided he ("Offering Unit Owner") first gives the Condominium Board, on behalf of all Unit Owners, notice of his intention to sell or lease such Unit and an opportunity to purchase or lease such Unit at the same price or rental and on the same terms as were offered in good faith by a prospective Purchaser or lessee, as more specifically provided in the By-Laws. If the Condominium Board does not elect to purchase or lease the Unit within 30 days after receipt of notice, the Offering Unit Owner will have an additional 60 days to enter into a written agreement with the prospective Purchaser or lessee, as the case may be, embodying the terms set forth in such notice. In the event such written agreement is not executed by the Offering Unit Owner within such 60 day period or such sale or lease is not consummated within an additional 60 days following the expiration of such 60 day period, the Offering Unit Owner will be required to again first offer the same to the Condominium Board, provided that the Condominium Board shall be entitled to waive, or to permit an extension of, either or both of such 60 day periods. The Condominium Board may not exercise its option to purchase or lease any Unit without prior approval of a majority in interest of Unit Owners. Any such deed given by an Offering Unit Owner shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the Unit or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by Law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws.

Any purported sale or lease of a Unit in violation of the By-Laws shall be voidable at the election of the Condominium Board.

A Unit Owner may lease, sell or convey the Unit to a spouse, adult child or grandchild, parent, grandparent or adult sibling, may convey his Unit by gift, may devise his Unit by will, or have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, the preceding restrictions. In addition, any Unit Owner may lease, sell or convey the Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws.

The Commercial Unit Owners are free to sell or lease any or all of their respective Commercial Units without first notifying or obtaining the approval of the Condominium Board.

The restrictions upon the sale and lease of Units shall not apply with respect to any Unsold Units, or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Condominium Board.

A Residential Unit Owner may only sell or lease his entire Residential Unit. In addition, each conveyance of a Residential Unit by a Residential Unit Owner shall include, as part of the property to be conveyed, such Residential Unit Owner's undivided interest in (a) the Common Elements, (b) the Residential Common Elements (in case of a Residential Unit only); (c) any Residential Unit or Residential Units acquired by the Condominium Board on behalf of all Residential Unit Owners, or any

proceeds of the sale or lease thereof and (d) any other assets of the Condominium. No part of the Residential Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Residential Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

A Unit may not be sold or leased unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to the sale or lease of the Unit. In addition, the Condominium Board may establish reasonable fees for the processing of sale and lease notices, which shall be payable by the Offering Unit Owner.

Notwithstanding anything contained herein to the contrary, prior to the Closing of Title to a Unit, the Purchase Agreement prohibits a Purchaser from listing such Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent.

Use of Units

A Residential Unit shall be used only as a residence (except as described below), and not more than one family may occupy a Residential Unit at any time. A Residential Unit owned or leased by an individual, corporation, partnership, fiduciary or any other entity (including, but not limited to,embassies and consulates of foreign governments) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, the fiduciary or beneficiary of such fiduciary, a principal or employee or such other entity, respectively, or by members of the immediate family or guests of any of the foregoing. A Residential Unit may be used for any other lawful purpose, provided such use is permitted by, and complies with Law, does not violate the then existing certificate of occupancy covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use.

All rights conferred on Unsold Residential Units and Unsold Residential Unit Owners shall be deemed conferred on their designees, affiliates and agents.

A Commercial Unit may be used for any legally permitted purpose, subject however to the provisions of the By-Laws.

Notwithstanding the preceding paragraph, Sponsor may, without the permission of the Condominium Board: (a) use or grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by Law and does not violate the then existing certificate of occupancy covering the Building; and (b) retain ownership of one or more Unsold Units for use as models and sales and/or promotion and/or leasing offices in connection with the sale or rental of other Unsold Units.

The Common Elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and capable and which are incident to the use and occupancy of Units.

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Building. All Laws, shall be complied with at the sole expense of the respective Unit Owners or the Condominium Board, whoever or whichever shall have the obligation to maintain or repair such portion of the Property.

No awnings, air conditioning equipment or ventilators shall be installed or modified in the Building without prior written approval of the Condominium Board. No radio or television aerial or other similar device shall be erected on the roof or exterior walls of the Building or on the Property, without obtaining in each instance the written consent of the Condominium Board.

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Unit without the consent of the Condominium Board. Each Unit Owner who keeps any type of pet in his Unit will be required to: (a) indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Rules and Regulations of the Condominium Board adopted with respect thereto.

Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair his own Unit in accordance with the provisions of the By-Laws and Law. The Rules and Regulations concerning the use of Units may be amended from time to time by the Condominium Board provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective (except that no amendment thereof affecting the Unsold Units or Commercial Units may be made unless agreed to by Sponsor or the affected Unit Owner).

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan, (b) the Condominium Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against his Unit, other than Permitted Mortgages. Sponsor shall have the right to mortgage any Unsold Unit without any restriction or limitation.

As more particularly set forth in the Section entitled "Amendments to Condominium Documents", in certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than 3 Residential Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are (i) Sponsor, (ii) a bank, trust company, insurance company, real estate investment or mortgage trust or (iii) a governmental or union employee, welfare, pension or retirement fund or system.

Common Charges: Determination and Assessment

Common Expenses, which are payable by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Common Interests in the case of a Commercial Unit and in proportion to their respective Residential Common Interest in the case of a Residential Unit. Common Expenses include, among other things, (a) all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, (b) water charges and sewer rents in connection with the Building; (c) real estate taxes and assessments levied with respect to the Property (until the same are separately assessed to individual Units); and (d) amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Condominium Board of any Unit.

The Common Interests of the Units have been allocated based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit, in accordance with Section 339-i(1)(iv) of the Real Property Law of the State of New York.

At least annually, the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess among all Unit Owners, Common Charges to meet Common Expenses.

The Condominium Board will furnish copies of each budget on which Common Charges are based to all Unit Owners and advise such Unit Owners of the amount of Common Charges payable by them. Unless otherwise determined by the Condominium Board, Common Charges will be payable monthly in advance on the first day of each month.

Set forth in Part II of the Plan is a copy of §339-kk of the Real Property Law of the State of New York, which provides, among other things, for the ability of the Condominium to serve a notice to any tenant occupying a Unit to pay its rent directly to the Condominium if the Unit Owner has failed to pay Common Charges, assessments or late fees for such Unit within 60 days after the expiration of any grace period.

Common Charges: Collection and Lien for Non-Payment

Under the provisions of Section 339-z of the Real Property Law of the State of New York and the By-Laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit in proportion to the respective Common Interests of the Units. All such liens, however, to the extent permitted by Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until 6 years from the date of filing (unless foreclosure of such lien is started within such 6 year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing such lien. In addition, the Condominium Board may assess Unit Owners a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, and interest at the rate of 1.5% per month of such unpaid amounts (less any "late charges" theretofore collected), plus all expenses of collection, including but not limited to reasonable attorneys' fees. During the Initial Control Period, Sponsor obligates itself to cause any members of the Condominium Board related to or affiliated with Sponsor to vote in favor of filing a lien against any Unsold Units owned by Sponsor with respect to which payments of Common Charges have not been made within 30 days after the date when due, pursuant to Section 339-aa of the Real Property Law of the State of New York.

No Unit Owner may exempt himself from liability for his Common Charges by waiving use of any of the Common Elements or by abandonment of his Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a permissible sale, transfer or other conveyance by him of such Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying his Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, exempt himself from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to his Unit and such Unit being free and clear of all liens and encumbrances other than Permitted Mortgages. However, in no event shall Sponsor be permitted to convey any Unsold Residential Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing, unless: (i) the aggregate Common Interests appertaining to the conveyed Unsold Residential Unit(s), constitutes 15% or less of the total Common Interests then appertaining to all Unsold Residential Unit(s); (ii) at least 5 years have elapsed from the date of the First Closing; and (iii) at the time of conveyance, Sponsor or the Reserved Unit Owner shall pay the Condominium Board a sum equal to the product of the then current monthly Common Charges for the

Units being conveyed multiplied by 24. With respect to a Commercial Unit, at least 5 years shall have elapsed from the date of the First Closing and, at the time of conveyance, the Commercial Unit Owner shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Commercial Unit being conveyed multiplied by 24.

On a resale of a Unit, the Purchaser thereof will be liable for the payment of Common Charges accrued and unpaid against such Unit prior to his acquisition. Prior to the permissible sale, transfer or other conveyance of a Unit, any seller or purchaser of a Unit shall be entitled to a statement from the Condominium Board, setting forth the amount of the unpaid Common Charges accrued against the Unit and neither such seller nor such purchaser shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in such statement. In the event of a foreclosure by the Condominium Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or Purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. Neither (a) a Permitted Mortgagee acquiring title to a Unit at a foreclosure sale, nor (b) a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Condominium Board will have the rightto assess such unpaid balance as a Common Charge among all Unit Owners.

Repairs to, and Maintenance of, Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Unit (other than to the Common Elements), including the heating and cooling systems, the plumbing, appliances in the Units, the fireplace and flue and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the General Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a General Common Expense; and (c) in or to the Limited Residential Common Elements such as shared Terraces and shared laundry rooms will be made by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense, if involving structuralor extraordinary maintenance, repair or replacement, or by the Residential Unit Owners having direct and exclusive access thereto at such Residential Unit Owners' cost and expense, if involving painting, decorating, and non-structural ordinary maintenance, repairs and replacement.

Notwithstanding the above, all normal maintenance and repairs of any private Terrace (including the Terraces denoted as Limited Residential Common Elements appurtenant to the Penthouse) shall be made by the Unit Owner having access to same, at his own cost and expense, but any structural or extraordinary repairs or replacements to such private Terrace (including any leaks which are not caused by the negligence of the Residential Unit Owner enjoying exclusive access to the same) will be made by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense. With respect to the Terraces exclusively serving the Reserved Unit, the Reserved Unit Owner shall perform all normal maintenance, repairs and replacements as well as structural or extraordinary repairs or replacements at its sole cost and expense. Any Unit Owner having access to a Terrace shall keep it free of snow, ice and accumulation of water. In order to promote a consistent appearance of the Building from the outside, no individual Unit Owner shall be allowed to enclose, erect a greenhouse and/or alter the Terrace appurtenant to its Unit in such a way that will alter the conformity of the Building, without the prior written consent of the Condominium Board. Additionally, the type, size and quantity of plantings and other installations to be placed on any Terrace shall be subject to compliance with Law and the prior written approval of the Condominium Board.

The exterior and interior glass surfaces of all windows located in any Unit shall not be colored or painted and are to be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Unit Owner thereof at the sole cost and expense of the Unit Owner (unless such breakage is caused by the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner).

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, are necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., such maintenance, repairs or replacements will be made by the Condominium Board, and any portion of the cost thereof which is not covered by the insurance maintained by the Condominium Board shall be paid by such Unit Owner.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep his Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the sub-Section entitled "Rights of Access" for further details.)

The By-Laws further require that those public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner or the Condominium Board, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or the Condominium Board.

Alterations, Additions and Improvements of Units and Common Elements

No Residential Unit Owner may make any structural alteration, addition, improvement or repair in or to his Residential Unit or its appurtenant Limited Residential Common Elements, if any, without the prior written approval of the Condominium Board but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Condominium Board and in compliance with Law and to the extent applicable, approval of the Landmarks Commission.

Sponsor shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, other Unit Owners, or representatives of holders of Mortgages to: (a) make alterations, additions, improvements, or repairs in or to any Unsold Unit, whether structural or non-structural, interior or exterior, ordinary or extraordinary, (b) subdivide, combine and change the boundary walls of Unsold Units, and (c) to amend the Declaration and By-Laws, without consent to reflect such changes. (See the Section of the Plan entitled "Changes in Prices and Units" for further details.)

The Commercial Unit Owners shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, other Unit Owners, or representatives of holders of mortgages to (a) make alterations, additions, improvements, or repairs in or to their respective Commercial Units, whether structural or non-structural, interior or exterior, ordinary or extraordinary; (b) to subdivide, combine and change the boundary walls of their respective Commercial Units; and (c) to amend the Declaration and By-Laws without consent to reflect such changes.

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, or its appurtenant Limited Residential Common Elements the Condominium Board shall have the right to reasonably approve the Unit Owner's contractors and

suppliers and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Condominium Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done.

Any Residential Unit Owner making or permitting an alteration, addition, improvement or repair in its Unit, or its appurtenant Limited Residential Common Elements is required by the ByLaws to (i) obtain such insurance as the Condominium Board may require, (ii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work, (iii) reimburse the Condominium Board for any architectural, engineering and legal fees incurred in connection with such work, and (iv) execute an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alterations may be made.

Any contractor performing work shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration or improvement to be made in a Unit, unless approved and executed, if necessary, by the Condominium Board. The Condominium Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit, provided any alteration to such Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations.

Generally, all alterations or improvements in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense.

Insurance

The Condominium Board is required to obtain and maintain the forms of insurance described in the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." The Condominium Board is not required to obtain or maintain any insurance with respect to any property contained in a Unit. Consequently, individual Unit Owners are strongly urged to consider obtaining casualty insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units and liability insurance with respect to occurrences in or about their respective Units.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board and any managing agent, manager, Resident Manager and other persons authorized by the Condominium Board, will have a right of access to any Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by Law, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the

Unit Owner and the occupants of any Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Condominium Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. In addition, Sponsor, and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for purposes of performing certain alterations and repairs in or about Unsold Residential Units and in fulfilling Sponsor's obligations under the Plan, provided that access to any Unit may not be exercised in such a manner as will unreasonably interfere with the use of such Unit for its permitted purposes.

By-Laws and Rules and Regulations

Each Unit Owner must strictly comply with the provisions of the Condominium Documents. Pursuant to Section 339(j) of the Condominium Act, failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief shall not be exclusive of other remedies provided by law. The By-Laws, together with the Rules and Regulations, will be recorded with the Declaration in the Register's Office.

Examination of Books and Records

Each Unit Owner and each mortgagee of a Unit shall be permitted upon prior request, to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium.

Self-Help

In the event that any Unit Owner fails to maintain or repair his Unit or any Limited Common Elements appurtenant to such Unit, if any, or in the event of any breach of the Condominium Documents, then, as set forth in Article 9 of the By-Laws, the Condominium Board shall have certain rights to perform such maintenance or repairs, or to cure such breach, at such Unit Owner's expense.

RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM BOARD/ SUMMARY OF BY-LAWS

Condominium Board

The affairs of the Condominium shall be governed by the Condominium Board, which shall initially be comprised of 3 members. Initially, the members of the Condominium Board shall be designated by Sponsor or Declarant. Approximately 30 days after the earlier to occur of (i) the first anniversary of the First Closing, or (ii) the Closing of Title with Purchasers under the Plan to Residential Units having more than 90% of the aggregate Common Interests appertaining to all Residential Units, the Condominium Board will hold the 1st annual meeting of Unit Owners. At such meeting, the incumbent Condominium Board shall resign and, subject to certain rights to designate members of the Condominium Board by Sponsor and the Commercial Unit Owners, the Unit Owners shall elect a new Condominium Board consisting of 8 members. Thereafter, at each annual meeting, members of the Condominium Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified. (See the Sections of the Plan entitled "Meetings and Votes of Unit Owners" and "Control by Sponsor" for further details.)

Except for the members of Condominium Board designated by Sponsor and/or the Commercial Unit Owners, members of the Condominium Board must be either Unit Owners or certain interested parties as described in the By-Laws. All Board members shall serve without compensation.

Powers and Duties of and Determinations by the Condominium Board

The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. Generally, all determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board.

As more fully set forth in the By-Laws, all determinations required to be made by the Condominium Board shall be made by majority of the votes cast at any meeting at which a quorum is present. For purposes of establishing a quorum, (a) attendance of a majority of all members of the Condominium Board will be required for any business relating to the General Common Elements, the General Common Expenses or all or a portion of both the Residential Units and the Commercial Units; and (b) attendance of a majority of the Residential Members of the Condominium Board will be required for any business relating solely to the Residential Common Expenses, the Residential Common Elements or the Residential Limited Common Elements, or all or any portion of the Residential Units.

Meetings and Votes of Unit Owners

Annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the first annual meeting. At such meetings, the Unit Owners shall elect the 8 member Condominium Board, subject to any rights of Sponsor and/or the Commercial Unit Owners to designate Condominium Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting to all Residential Unit Owners of record. The notice, which will be given at least 5 days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Residential Unit Owners, the presence in person or by proxy of Residential Unit Owners owning more than 40% of the Residential Common Interests attributable to all Residential Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Residential Unit Owners.

At all meetings, each Residential Unit Owner (or his proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Residential Units) shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to his Residential Unit.

Officers

The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint additional officers. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Condominium Board members until the first organizational meeting of the Condominium Board following the first annual meeting. It is anticipated that the initial members and officers will be Yitzchak Tessler, Harold Schertz and Patricia Amato, Esq. Mr. Tessler and Mr. Schertz are principals of Sponsor and Ms. Amato is an employee of Sponsor. Thereafter, the President and Vice President must be members of the Condominium Board. Except as otherwise provided by the Condominium Board, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium are to be executed by any officer thereof or by such other person or persons as may be designated by the Condominium Board.

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board will, except as set forth below, arrange for the prompt repair and restoration thereof (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit).

If the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of his share of such funds such amounts as may be necessary to reduce unpaid liens on his Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his share of such funds such amounts as may be necessary to discharge all unpaid liens on his Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Condominium Board in the event of a loss amounting to $500,000 or less. In the event that such proceeds are in excess of $500,000, such proceeds shall be payable to a New York City bank or trust company designated by the Condominium Board as insurance trustee pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law.

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding appliances, fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to Common Charges for 1 year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all the Condominium Board and all officers, directors and employees of the Condominium; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine.

The fire insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws.

The amount of fire insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the first annual meeting of the Unit Owners shall be in at least the sum set forth in the First Year's Budget.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees at least 10 days prior to the expiration of the then current policies.

The Condominium Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering (1) the Condominium Board, the Managing Agent or agents thereof, each Condominium Board member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit or within the Common Elements, if any, exclusive to his Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the first annual meeting of Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines. The premiums for all insurance referred to above shall be a Common Expense.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation, if available, and further provided that the

liability of the carriers issuing insurance obtained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Liability of the Condominium Board and Unit Owners

Every contract made by the Condominium Board or by any Managing Agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners and the members of the Condominium Board managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners. To the extent permitted by Law, the members of the Condominium Board shall have no liability to Unit Owners except that a member of the Condominium Board shall be liable for his own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each member of the Condominium Board against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any member of the Condominium Board, any Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Condominium Board to all Unit Owners approximately 4 months after the end of each fiscal year.

Amendments to Condominium Documents

Generally, subject to certain exceptions concerning, among other things, Sponsor and Commercial Unit Owners, and provided that required consents of the Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations affecting the Common Elements or all Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 75% in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

No amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations (other than those required by law) shall be effective (a)against Sponsor, Commercial Unit Owners or any Owner of an Unsold Residential Unit unless the affected owner of such Unit has given its written consent thereto, or (b) against the holder of any mortgage, pledge other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto. In addition, the Declaration, By-Laws and the Rules and Regulations may not be amended or modified so as to adversely affect any Commercial Unit Owner and/or any Commercial Unit without the prior written consent of the affected Unit Owner.

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least 100% in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from the Mortgage Representatives, if any.

In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Units Acquired by Condominium Board

All Units acquired or leased by the Condominium Board or its designee shall be held by the Condominium Board, or its designee, on behalf of all Unit Owners and the rent or Purchase Price, closing costs and adjustments payable in connection therewith shall be assessed against all Unit Owners. No Units held by the Condominium Board shall carry any voting rights.

The purchase of any Unit by the Condominium Board on behalf of the Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Condominium Board. If the funds in such account are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner in proportion to his Common Interest, as a Common Charge and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its Common Interests.

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. In the event any Unit Owner individually seeks to have the assessed valuation of his Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

Mechanics' Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners affected thereby. Liens may arise or be created against only the several Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the Common Elements shall be the basis for a lien thereon but all Common Charges received by the Condominium Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Condominium Board or the Managing Agent for the Common Elements.

Easements

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Condominium Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and their appurtenant Limited Residential Common Elements and the Common Elements, and an easement in

favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In addition, Sponsor shall have an easement to erect, maintain, repair and replace any sign permitted by law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

The Declaration and By-Laws

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of a Unit as a personal residence was prepared by Sponsor based, in part, upon the income tax opinion of Hoffinger, Friedland, Dobrish & Stern, P.C., Special Tax counsel to Sponsor, a copy of which is set forth in Part II of the Plan.

HOFFINGER, FRIEDLAND, DOBRISH & STERN, P.C. IS SPECIAL TAX COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT HIS OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THE PLAN.

Income Tax Deductions to Unit Owners

Each Unit Owner will own his Unit and its Common Interest in fee simple and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Since each Unit Owner will own his Unit in fee simple, the owner may mortgage such Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

It is the opinion of Hoffinger, Friedland, Dobrish & Stern, P.C. that a Unit Owner who uses his Unit as a personal residence will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers who are individuals should note that mortgage interest is deductible generally only with respect to (1) secured debt used to acquire, construct or substantially improve a principal or second residence (or which constitutes a refinancing of such debt) (up to a total indebtedness of $1 million, $500,000 for married tax payers filing separately) plus (2) other debt (not in excess of $100,000) secured by a principal or second residence. Interest on home mortgage debt in excess of these limitations would not be deductible. In addition, Unit Owners should note that special limitations may apply to the deductibility of points and prepaid interest, if any, on their mortgage loans and to the overall allowance of itemized deductions.

Tax Status of the Condominium

As discussed in the Attorney's Income Tax Opinion, the Condominium should meet the requirements for qualification as a "homeowners association", under Internal Revenue Code Section 528 and accordingly, may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve fund (less expenses directly connected with the production of such income).

If the Condominium does not qualify as a "homeowners association", or if it does but chooses not to make the necessary election, it will be taxable as a corporation for Federal and New York State income tax purposes.

The qualification of an organization as a "homeowners association" is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in 1 year, it may nevertheless qualify in one or more future years.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the

tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof upon which Hoffinger, Friedland, Dobrish & Stern, P.C., as Special Tax Counsel to Sponsor, bases its opinion, will not change. In addition, none of the aforesaid give any warranties with respect to the tax consequences of the Plan or the tax consequences of ownership of any Units offered under the Plan, and no 1 has been authorized to give any warranties.

ANTICIPATED REAL ESTATE TAX EXEMPTION BENEFITS

As more fully explained in the Tax Exemption Benefits Opinion Letter of Sponsor's Special Counsel set forth in Part II of the Plan, the Property is expected to qualify for the real estate tax exemption and abatement benefits under Section 421-g of the Real Property Tax Law of the State of New York ("Section 421-g"). Sponsor will apply to the New York City Department of Housing Preservation and Development ("HPD") for preliminary approval of Section 421-g benefits for the Property. Upon completion of the Residential Units, Sponsor will apply to HPD for final approval. Sponsor anticipates but does not represent or guarantee that such final approval will be obtained. If such approval is not obtained, Purchasers will have no right to rescind their Purchase Agreements even though Section 421-g benefits will not be available to the Property. In connection with HPD's enforcement of the Section 421-g program, all prospective Purchasers are advised that HPD may conduct an audit from time-to-time which may result in a subsequent revocation of Section 421-g benefits, if all documents required to be filed with HPD are not so filed.

In connection with its application to HPD to obtain Section 421-g benefits for the Property, Sponsor will (i) keep all records required by HPD and make such records available to HPD whenever requested by HPD to do so, (ii) in a timely fashion file all applications required to be submitted to HPD in connection with the Section 421-g benefits, and (iii) otherwise comply with all procedures required by HPD to properly procure and maintain the Section 421-g benefits. In addition, Sponsor will make available to the Condominium Board all Section 421-g documents for inspection and copying for so long as the Property receives any Section 421-g benefits.

Prospective Purchasers should note that the 421-g program is limited to properties that are converted to residential use within a small geographic sector in lower Manhattan. The program is two-fold in its benefits: it exempts the increase in assessed value attributable exclusively to the improvement in the Property's physical plant and abates the remainder of real estate taxes (other than special assessments for local improvements) that would then be due with respect to the increased assessment on the Property.

The projections set forth in the notes to Schedule A are based on completion stages as of January 5th of each relevant fiscal year. January 5th is the taxable status date for the succeeding fiscal year. The 421-g program provides a 100% exemption for the first 9 years; commencing in year 10, the exemption benefits are phased-out at 20% per year.

Neither Sponsor, Sponsor's Counsel, Sponsor's Special Counsel, the Selling Agent, the Managing Agent, nor any other person makes any warranty that the partial exemption from real estate taxes under Section 421-g will be granted in whole or in part, or if granted, will not be later reduced or revoked, or as to the amount of the tax which will be assessed against any Unit or the amount of real estate taxes payable at any time by any Residential Unit Owner.

The tax projections found in Schedule A (and the notes thereto) are merely estimates and cannot be construed as an assurance of the actual amount of real estate taxes that will be assessed or the actual amount of any Section 421-g benefit.

WORKING CAPITAL FUND AND APPORTIONMENTS

The Purchaser of a Residential Unit shall be required to make a contribution at the Closing ofhis Unit to the working capital fund of the Building ("Working Capital Fund"). Such contribution shall be in an amount equal to 2 months' Common Charges then in effect for such Unit.

Sponsor has not elected to provide for any reserve fund for capital replacements or repairs, because the interior of the Building, upon completion of the construction to be performed by Sponsor, will be a gut renovation with substantially new systems and construction. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by special assessment or by increases in Common Charges.

At the First Closing, Sponsor will apportion with the Condominium the following items as of midnight of the day preceding the First Closing:

(1) employees' wages, vacation and severance pay, pension and welfare benefits and accruals and all other payments or obligations relative to the employees of the Building;

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

(3) charges for electricity and other utilities for the Common Elements;

(4) cost of fuel on hand (plus sales tax), if any;

(5) charges and receipts in connection with service, maintenance and concession contracts;

(6) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);

(7) cost of Building supplies on hand at Sponsor's cost (including sales tax);

(8) premiums for transferable insurance policies, if any;

(9) management fees; and

(10) other customary closing adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

If the result of the closing adjustments is a net credit in favor of the Condominium, Sponsor will contribute the amount of such net credit to the Working Capital Fund. If the result of the closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be deferred and paid to Sponsor by the Condominium in a single installment on the first anniversary of the First Closing, without interest, pursuant to an unsecured, negotiable, promissory note to be executed by the Condominium Board and delivered to Sponsor at the First Closing. Such promissory note may be prepaid by the Condominium in full at any time, or in part from time to time, without penalty.

The Working Capital Fund will be held and used for working capital, a reserve for repairs or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges collected from each Unit. While the Sponsor controls the Condominium Board (see the Section of the Plan entitled "Control By Sponsor" for further details), the Working Capital Fund will not be used to reduce Common Charges.

The Condominium Board will be able to utilize the funds in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units. In addition, within 3 months following the end of the Initial Control Period, Sponsor shall deliver to the Condominium Board a statement from an officer of Sponsor, certifying in reasonable detail as to any changes in the amount of the Working Capital Fund which have occurred since the First Closing.

No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, including repairs, replacements or major improvements, for the first or any subsequent year of Condominium operation. If additional funds are required over and above the Working Capital Fund to cover expenses of the Building operation, it may be necessary to increase Common Charges or make special assessments. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

AGREEMENTS AFFECTING BUILDING OPERATIONS

Management Agreement

At the First Closing, Sponsor will assign, and the Condominium Board will assume, the Management Agreement for the Building between Sponsor and Bellmarc Property Management Services Inc., having an address at 352 Park Avenue South, New York, New York ("Management Agreement").

The Management Agreement shall commence on September 1, 2002 ("Commencement Date") for a 2 year term culminating on August 31, 2004. The Management Agreement is immediately terminable for cause by either party at the end of any calendar month on at least 30 days prior written notice from 1 party to the other. The Managing Agent will receive payable in equal monthly installments, the sum of $37,500 per annum for the first year of the Management Agreement. (If the Condominium Board requests additional services beyond the scope of the Management Agreement (e.g., brokerage) additional fees and/or commissions will be agreed upon. Thereafter, the annual fee will be mutually agreed upon for the renewal periods, or if no new annual fee has been established, the Managing Agent shall continue to receive the previous annual fee. In addition, for services rendered to Unit Owners (other than Sponsor) in connection with processing applications to sell or otherwise transfer Units and obtaining necessary waivers of the right of first refusal by the Condominium Board, the Managing Agent shall receive a fee from each Unit Owner. The Management Agreement is not assignable.

The duties and services to be rendered by the Managing Agent include, among others:

(1) billing and collecting Common Charges payable by Unit Owners;

(2) advising the Condominium Board and causing the Common Elements to be maintained, repaired and altered in the manner deemed advisable by the Condominium Board. Managing Agent may not, without the Condominium Board's prior written authorization, proceed with work costing more than $1,000 to complete with the exception of emergency repairs;

(3) contracting for necessary services and repairs and purchasing all supplies necessary to properly maintain and operate the Building and its Common Elements, and if requested, reviewing and recommending insurance coverage and policies and processing claims. The approval of the Condominium Board is necessary for any service contract (other than utilities) which exceed $1,000 per year;

(4) checking all bills received in connection with the maintenance and operation of the Common Elements and causing all such bills and other expenses to be paid;

(5) supervising, hiring, discharging and paying employees necessary for the proper maintenance and operation of the Building;

(6) rendering monthly statements of receipts and disbursements to the Sponsor or other designated entity, upon request;

(7) maintaining payroll records and filing withholding tax statements for employees;

(8) maintaining accurate sets of books and labor contracts for the Condominium Board;

(9) cooperating with the Condominium Board's accountants in preparing and submitting annually to the Condominium Board an operating budget of the anticipated income and expenses for the ensuing year;

(10) cooperating with the Condominium Board's accountants in preparing and filing on behalf of the Condominium Board, all income and tax returns and annual credits and delivering copies of such audits to the Unit Owners;

(11) preparing and distributing notices of meeting to Unit Owners and attending up to 4 meetings of the Condominium Board and Unit Owners (for an additional attendance fee), and preparing agendas and sending notices relating to such meetings; and

(12) causing to be obtained and maintained insurance for the Condominium in amounts deemed advisable by the Condominium Board;

(13) maintaining records of alteration to the Units; and

(14) generally, doing all things deemed reasonably necessary or desirable by the Condominium Board for the proper management of the Building.

The Managing Agent, at the expense of the Condominium, will be insured during the term of the Management Agreement under a fidelity insurance policy in favor of the Condominium for loss in an amount up to $1,000,000 resulting from fraudulent or dishonest acts committed by the Managing Agent, its directors, officers or employees. The Managing Agent shall also be a named additional insured in the Condominium's general liability insurance policy.

All funds collected by the Managing Agent on account of the Condominium will be deposited in a bank or trust company in the City of New York in a general deposit or money market account (as the Board shall direct). Managing Agent shall be under no liability or responsibility for any loss in such account or resulting from the insolvency of such depository, but, in such event, any amount received by the Managing Agent in liquidation of such account shall belong to the Condominium. Any interest earned on such funds shall belong to the Condominium. Any payments to be made by Managing Agent shall be made out of such funds as Agent may, from time to time, hold for the account of the Condominium or out of such funds as may be provided as aforesaid. Managing Agent is under no obligation to advance its own funds on account of Condominium expenses but if it should do so, the Condominium Board shall make prompt reimbursement. In no event shall such obligation extend to amounts expended without prior written Board approval, if required, or which relate to matters not the obligation of the Managing Agent.

IDENTITY OF PARTIES

Sponsor

The Sponsor of the Offering Plan is 2 Spruce Street LLC, a New York limited liability company with an office at 500 Fifth Avenue, New York, New York 10110. The Managing Member of the Sponsor is Harold Schertz. The principals of Sponsor are Harold Schertz, having an address c/o SRI, L.L.C., 500 Fifth Avenue, New York, New York 10110 and Yitzchak Tessler, having an address c/o YT&T Holdings, Inc., 500 Fifth Avenue, New York, New York 10110. Mr. Schertz is a certified public accountant and president of SRI, L.L.C., a professional real estate asset management firm specializing in the management and leasing of residential commercial and retail properties.

Of the principals, only Mr. Tessler has previously participated as a principal of sponsor in connection with the development of a cooperative, condominium, planned unit development homes or time shares. Mr. Tessler was a principal of the sponsor in connection with the offering of the Textile Building Condominium at 66 Leonard Street, New York, New York 10013.

Mr. Tessler is current in his financial obligations with respect to the above referenced building.

The Property Owner is 150 Nassau Associates, LLC, a Delaware limited liability company with an office at 500 Fifth Avenue, New York, New York 10110. Pursuant to a Contract of Sale between Property Owner and Sponsor, Sponsor presents this Plan as a contract vendee. The Property Owner and Sponsor are affiliated entities.

Attorneys for Sponsor

Sponsor has retained the law firm of Greenstein Starr Gerstein & Rinaldi LLP, having an office at 57 West 38th Street, New York, New York 10018, to represent it in connection with the Plan. Allan Starr, Esq. participated in and supervised the preparation of the Plan. Greenstein Starr Gerstein & Rinaldi LLP will serve as Escrow Agent and will represent the Sponsor in connection with matters relating to Closings of Units.

Selling Agent

The Selling Agent is The Marketing Directors, Inc., having an office at 750 Lexington Avenue, 18th Floor, New York, NY (tel: 212-826-8522). The Selling Agent is a licensed real estate broker whose principals have been engaged in the sale of real estate for more than 20 years. The Selling Agent has recently acted as the Selling Agent for the following Manhattan Condominiums: The Empire, The Impala, 200 Riverside Drive at Trump Place, The Siena, Three Lincoln Center, The Oxford on Seventy-Second, The Promenade, the Horizon and LeChambord. The Selling Agent is a preeminent international marketing company with offices located in New York and Florida. Its specialties include predevelopment planning as well as on-site sales and leasing of luxury properties to users and investors.

There have been no prior felony convictions of the Selling Agent, or any principals of Selling Agent and no prior convictions, injunctions and judgments against the Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Managing Agent

The Managing Agent is Bellmarc Property Management Services, Inc., 352 Park Avenue South, New York, NY. The Managing Agent has had over twenty (20) years experience as managing agent for numerous rental and condominium properties in the New York area, especially new construction projects. The Managing Agent is involved in similar projects such as City Spire Condominium, The Textile

Building Condominium, Westbury House Condominium and the Rio Condominium and Spa, all in New York City.

There have been no prior felony convictions of the Managing Agent, or any principals of Managing Agent, and no prior convictions, injunctions and judgments against the Managing Agent, or any principals of Managing Agent that may be material to the Plan or an offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Construction Professionals

The architect for the Building is Karl Fischer Architect, with offices at 371 Broadway, 5th Floor, New York, New York 10013 and 1420 Notre-Dame Ouest, Montreal, Quebec. The firm's practice ranges from residential conversions and high-end condominium projects to hotels, institutional buildings and commercial complexes including the revitalization and renovations of existing structures. The firm was established in 1982 in Canada and Karl Fischer is a registered architect in the United States and Canada.

The structural engineer for the Building is Goldstein Associates, PLLC with offices at 31 West 27th Street, New York, New York 10001. The firm has been in practice for more than 20 years, and its spectrum of work encompasses a broad variety of building types, including commercial office buildings and residential towers.

The mechanical engineer for the Building is Cosentini Associates, LLP with offices at 2 Pennsylvania Plaza, New York, New York 10021. The firm was established in 1952 and has successfully engineered thousands of projects including museums, high-rise commercial office buildings, major mixed use developments and hotels. Most recently Cosentini Associates, LLP have provided mechanical engineering for the ATT World Headquarters located on 57th Street and Madison Avenue and the Lever House located at 390 Park Avenue.

Neither the architect nor the engineers have any financial interest in the Property or the Sponsor, except that they will be paid a fee for services.

Condominium Budget Expert

The Managing Agent has been engaged by Sponsor as Sponsor's Budget Expert. The Budget Expert estimated all amounts of income and expenses in "Schedule B - First Year's Budget" in consultation with Sponsor. The Budget Expert has rendered a Certification as to the adequacy of the First Year's Budget and a Certification as to the adequacy of Common Charges payable by Commercial Unit Owners, each of which may be found in Part II of the Plan.

Title Company

Commonwealth Land Title Insurance Company, having an office at 655 Third Avenue, New York, New York 10017, (212) 949-0100, has reviewed the Plan and the Condominium Documents and has committed to insure that a valid condominium will be created pursuant to the Condominium Act. The Title Company is prepared to issue fee and/or mortgage title insurance policies to those Purchasers who request them. A form of Unit Owner's Specimen Title Policy, if title insurance is ordered from the Title Company is set forth in Part II of the Plan.

Related Parties

Sponsor and its principals have no affiliation with the Attorneys, the Selling Agent, the Budget Expert, the Construction Professionals, or any person or firm who will provide services to the Condominium subsequent to the First Closing. Neither the Selling Agent, the Condominium Budget

Expert, the Construction Professionals or the Attorneys have any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board to give all Unit Owners annually:

1. A financial statement of the Condominium prepared by a certified public accountant or public accountant, within approximately 120 days after the end of each fiscal year of the Condominium. Such statement shall be certified while Sponsor is in control of the Condominium Board;

2. At least 30 days' prior notice of the annual Unit Owners' meeting; and

3. A copy of the proposed annual budget of the Condominium at least 30 days prior to the date set for adoption thereof by the Condominium Board. While Sponsor is in control of the Board, such budget shall be certified in compliance with Section 20.4 of the Regulations of the Department of Law.

DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers, and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of 6 years. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be in the Register's Office.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Purchase Agreement, form of Unit Deed, form of Power of Attorney and other documents. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are not necessarily complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than the Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of the Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the Purchase Price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially and adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within 15 days from the Presentation Date of such amendment. Sponsor shall promptly return any Deposit, together with any interest earned thereon to Purchasers who rescind, except that Sponsor shall retain the Deposit of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period.

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's sex, sexual orientation, race, creed, color, national origin, marital status, age, disability or any other ground proscribed by Law.

Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any 1 gender, masculine, feminine or neuter, includes the other two.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

The Property has not been the subject of a prior public offering.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor adopts the "Description of Property and Building Condition" set forth in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Building except as set forth in the Description of Property and Building Condition and Specifications or as contemplated to be made as described therein. As more fully described above, and subject to the matters described therein, Sponsor anticipates that construction of the Building will be sufficiently completed to allow the First Closing to occur as projected in Schedule B.

PART II

CONDOMINIUM OFFERING PLAN

150 NASSAU CONDOMINIUM
150 Nassau Street
New York, New York 10038

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

THE LANDMARK BUILDING
150 Nassau Street New York NY

A. LOCATION AND USE OF PROPERTY

1. The property is located at the Southeast corner of Nassau Street and Spruce Street in downtown Manhattan, New York

2. Currently the building has one main entrance located at 150 Nassau Street

3. The building is located on tax block 100, lot 3, zoning map 12b

4. Current zoning is C6-4 commercial with applicable R-10 residential, equivalent. Conversion to residential use is permitted "as of right" under the "loft law" article 1 chapter 5

5. Permissible uses are residential and commercial

B. STATUS OF CONSTRUCTION:

1. The building is a 20 story office building with a 3 story penthouse tower. The building also has a cellar and a sub-cellar. The building was constructed in 1894-95 to the design of R.H.Robertson.

2. The class for construction is Type 1B as classified, under the Building Code of the City of New York (herein after "Building Code")

3. The plans for the development of this property include the conversion of Floors 2 to 20 to residential "Loft" units. In addition, the existing 3 story penthouse tower will be enlarged and converted to one duplex penthouse unit with each floor having a separate mezzanine floor. The lowest level of this penthouse tower will be enlarged to the existing brick open arched exterior wall. The penthouse unit will have a private roof top terrace on the 21st floor.

4. Upper floor apartments (10 to 20 and the 2nd floor units) are all 2 bedroom units ranging in size from 1300 square feet to 2350 square feet.

Appliances for upper floor units are as follows:

Gas Range:	Viking VGSL 3064B,30"
Refrigerator:	Viking VCBB 362
Island Hood:	Viking VIV 600 or Boffi equal
Dishwasher:	Miele SCVI G643
Washer/Dryer:	Stacked unit Bosh WTL 5400 VC with ventless electric dryer

Kitchen Cabinets are as manufactured by "Boffi".
Hardwood flooring will be installed in all bedrooms, living rooms, kitchen and foyer. Hardwood flooring is to be Caribean Walnut, 3" wide random length planks, glued down system.
Stone tiles will be installed in Master Bathroom floors, walls of shower and dado walls
Stone tiles will be installed on floors and walls of second bathroom
Stone tiles will be installed on floor of powder room. Powder room to have one piece stone sink. Door casing and baseboards will be in wood, painted.

5. Lower floor apartments (floors 3 to 9) are all studios, 1 bedroom and 2 bedroom units ranging in size from 322 for a studio to 1071 for a 2 bedroom unit.

Appliances for lower floor units are as follows:

Gas Range:	GE premier P24
Microwave:	Combination microwave / venting hood MMV 1304B
Refrigerator:	GE 18 cubic feet PBX 18 JABBB
Cook Top:	Kitchen-aid 2 burner KJCT055G
Dishwasher:	GE space maker under sink dishwasher GSM 2130-10F

Washer and dryers for lower floor units except the 2nd floor units will be located in a common laundry room on each floor. Washer and dryers will be stacked units Bosh WTL 5400 VC with ventless electric dryers, coin operated.

Kitchen cabinets and counter tops will be in plastic laminate finish. Hardwood flooring will be installed in entrance foyers and kitchens. Bedrooms and living /dinning rooms will have carpet floor stone tiles will be installed on floors of bathrooms and walls surrounding bath tubs & Shower.

Door casing and baseboards will be in wood, painted.
Interior doors will be solid core masonite doors painted.

6. The major portion of the first floor will be used for commercial purposes while the remainder of the first floor will be used for the residential entrances. There will be two independent residential entrances on Nassau Street. One entrance will be dedicated to the upper floor apartments (floor 10 to 20) while the second entrance will be dedicated to the lower floor apartments (floors 2 to 9).

7. The ground floor commercial space will be delivered as raw space ready for tenant "build – out". The exterior walls are all existing and in satisfactory condition. The commercial store fronts will be all new as approved by NYC Landmark Commission.

8. There will be a total of 125 residential apartments including the duplex penthouse unit and including an apartment for the superintendent.

9. The sub cellar and cellar will be used as an accessory parking garage.

10. Mechanical rooms will be located in the sub cellar and on the roof of the building.

11. The plans have been filed with the Building Department under file Numbers 102926256 as of December 15th 2000.

12. A final certificate of Occupancy will be applied for by the sponsor and will be issued when the completed construction is inspected and approved by the Department of Buildings.

C. **SITE**

1. The property is a corner lot fronting on Nassau Street and Spruce Street with a lot area of 9426 square feet. The building occupies the entire lot on the lower 6 floors. Above the 6th floor, the building becomes a "U" shaped building with a small inner court.

2. The existing 20 stories with its 3-story penthouse tower was used as office space from the 2nd floor and up. The ground floor and cellar floors were used for commercial space. The sub-cellar floor was used for mechanical rooms and equipment.

3. All floors from 2 to 20 and the existing 2-story penthouse tower will be converted to residential use.

4. All 6 existing elevators presently located at the center of the building will be demolished. The existing interior open egress stair running through the building from 1st floor to the penthouse tower will be demolished.

5. The existing exterior fire escape stairs presently located inside the rear court will be demolished. All other existing egress stairs will also be demolished.

6. Two new banks of elevators each with 2 cars will be built within the existing court. Two new low-rise elevators will serve the lower level apartment from floors 2 to 9 and including the 1st floor lobby. Two new high rise elevators will serve the upper level apartment from floors 10 to 21 and including cellar, and 1st floor lobby.

7. The high-rise elevators will both be 450 FPM. One will be 2500 pound capacity, the other will be 2000 pound capacity.
   The low-rise elevators will both be 350 FPM. One will be 2500 pound capacity, the other will be 2000 pound capacity.

8. A new "Scissor" type egress stairs will be built within the existing court from the cellar through the 21st floor. The sub-cellar will be served by two other egress stairs, leading directly to the exterior.

9. One egress stair from the scissor stair will discharge through the first floor lobby, while the 2nd egress stair from the scissor stair will discharge through the cellar level directly to the exterior.

10. An indoor accessory parking garage will be built on the cellar and sub-cellar floors. The access to the garage will be via a new ramp and entrance from Spruce Street. A car lift will carry the cars between the cellar and the sub-cellar floors. There will be accessory parking space for 26 cars. There will be 3 car reservoir spaces as required by NYC Building Code. The garage will be operated by a garage operator.

11. The ground floor, other than the two residential lobby's, will be used for commercial.

12. Information regarding metes and bounds, topography, existing utilities and adjacent conditions is available from the Architectural survey prepared by Contractors Link and Grade South, Steven J. Willard land surveyor of White Plains New York (#050054 License)

13. The existing sidewalks and curbing around the building on Spruce Street and Nassau Street are in concrete and are located on city property. Part of the sidewalk on Nassau Street is in brick pavers as part of Nassau Street pedestrian walkway. A new sidewalk "cut" will be made at the east end of the property along Spruce Street. The entrance and the ramp to the garage will be in concrete and will have a trench drain at its base to collect run off water.

14. The existing concrete side walks are in good condition and will only have minor repairs after the construction is completed.

15. The main entrance to the building located on Nassau Street will be completely rebuilt to replicate the original entrance design, and will be partially located on city property.

16. New building lighting will be added to the existing stone pilasters along Nassau Street. Existing city street lighting will remain and be maintained by the City of New York.

17. The site is bounded by Nassau Street on the West side, and Spruce Street on the north side. The streets are existing and paved with blacktop concrete and maintained.

18. Storm water from the rear court will be conciliated at yard drains at low points and these will be connected via a drainage pipe system to the public sewers

19. The existing stone sills, stone headers on the lower 5 floors and brick headers on the upper floors are in satisfactory repair.

20. Any and all asbestos containing material has been abated in the building.

21. The latest Local Law 10/11 technical report, filed at the NYC Building Department, pertaining to periodic inspection of exterior walls, is annexed herewith. The sponsor shall, prior to declaring the Plan effective, file an updated Local Law 11 report with the Department of Buildings ("Report"), which Report shall also be disclosed in a duly filed amendment to the Plan.

D. UTILITIES

1. Electric:

Presently, the source of electricity is Consolidated Edison of New York. It is anticipated that they will remain the provider. Each residential and retail unit will be directly metered by the utility. Further, the house charges (i.e common fans, corridor lighting, cellar and first floor ventilation, pumps etc.) will be separately metered and billed to the Condominium and in turn will be incorporated into the common charges for the unit owners.

2. Gas:

Presently, the source of gas is Consolidated Edison of New York. It is anticipated that they will remain the provider. Presently, there is no intention to directly meter each residential and retail unit for gas service. The gas requirement for each unit is divided among usage for cooking and heating. This gas usage will be incorporated into the common charges for the unit owners.

a. Water:

The source of water will be the City of New York. Water and sewer will be collectively metered and billed to the unit owners as a common charge.

b. Telephone:

The main service provider of these services is not yet determined but charges will be directly billed to the unit owner.

3. **SUB SOIL CONDITIONS**

a. The existing building was built in 1894-95. Since its construction there has been no indication of uneven foundation movement or settling.

b. The cellar and sub cellar are presently dry and there is no evidence of moisture or ground water infiltration.

c. There is no apparent danger of flooding in the area or overflow from bodies of water or danger of mud slides or erosion.

F. LANDSCAPING AND ENCLOSURES

1. There is no grass covering, planting or trees on the site. There are no gates or retaining walls or garden walls on the site. There are no display pools and no fountains.

G. BUILDING SIZE AND HEIGHT

1. The height of the existing 20 story building measured from the sidewalk level at Nassau Street is approximately 256 feet.

2. The height to the highest part of the penthouse tower on top of the 20 story building measured from the sidewalk level at Nassau Street is approximately 291 feet.

3. There are no crawl spaces.

4. There is one full cellar floor and one full sub cellar floor with sidewalk vaults located under sidewalks on both Nassau Street and Spruce Street

5. The building will consist of 20 floors, a 2 story 40 feet high penthouse tower on the 21st floor, a cellar floor and a sub cellar floor.

6. Mechanical and equipment rooms are located on the cellar floor, sub cellar floor and roof.

7. Ceilings will be dropped around structural beams and mechanical bulkheads for pipes and ducts and in bathrooms, kitchens and corridors.

The approximate floor to ceiling heights where ceilings are not being dropped are as follows:

Sub-Cellar : 16'-0"
Cellar : 10'-0"
1st floor : 16'-0"
2nd floor : 13'-0" – Bath & kit @ 10'-0"
3rd floor : 12'-0" – Bath & kit @ 9'-0"
4th floor : 10'-0" – Bath & kit @ 9'-0"
5th floor : 10'-0" – Bath & kit @ 9'-0"
6th floor : 10'-0" – Bath & kit @ 9'-0"
7th floor : 10'-0" – Bath & kit @ 9'-0"
8th floor : 10'-0" – Bath & kit @ 9'-0"
9th floor : 10'-0" – Bath & kit @ 9'-0"
10th floor : 10'-0" – Bath & kit @ 9'-0"
11th floor : 10'-0" – Bath & kit @ 9'-0"
12th floor : 9'-6" – Bath & kit @ 8'-6"
13th floor : 9'-6" - Bath & kit @ 8'-6"
14th floor : 9'-6" – Bath & kit @ 8'-6"
15th floor : 9'-6" – Bath & kit @ 8'-6"
16th floor : 9'-6" – Bath & kit @ 8'-6"
17th floor : 9'-6" – Bath & kit @ 8'-6"
18th floor : 9'-6" – Bath & kit @ 8'-6"
19th floor : 9'-6" – Bath & kit @ 8'-6"
20th floor : 9'-6" – Bath & kit @ 8'-6"
21st penthouse floor: 17'-6"
22nd penthouse floor:21'-0" to under side main ridge truss

8. Equipment Rooms:
   a. Sub cellar:
      Hydraulic car lift machine room
      Mechanical room and steam plant
      Gas meter room
      Water meter room
      Electrical distribution and meter room
      Main telecommunication room

   b. Cellar Mechanical Room
   c. 10th floor : elevator machine room for elevators 3 & 4
   d. 11th floor : elevator machine room for elevators 1 & 2
   e. 21st floor : fire pump room

H. STRUCTURAL SYSTEM

1. Exterior of Building:

1.1 The building is steel framed structure with typical 12 inch flat firebrick arches with a concrete topping and tie rods spanning on 15 inch beams on 1st , 2nd and 3rd floor and 12 inch beams on the others supported by double 15 inch girders. Lower roof structure (21st floor) consists of corrugated steel sheet arches with a concrete fill spanning on typical steel beam and girders. For the purpose of fireproofing the floor beams and girders are enclosed with floor firebrick (on the lower roof with wire lathing and mortar). The steel columns are covered with 4 inch brick and the steel cantilevers in the sub-cellar with wire lathing and plastered with heavy mortar to a thickness of 1 inch. The building resists lateral wind loads through a combination of lattice girders (3'-10" deep with 12 inch brick in-between at the columns of the court walls from the 3rd floor to coping and at some other parts of the building) and belt lines of box girders with heavy connections to columns.

The building is supported on timber piles, American spruce, dia.10" to 14" at head, driven to a depth of 10 to 25 feet bearing in fine red sand. The caps on top of piles are made of concrete base around pile tips, granite capping blocks underneath column, brick foundation piers with granite templates on base stone as a filler material. The structural system of the building appears to be in good condition with exception of the missing lattice girders in the courtyard at 3rd , 4th and 5th floor removed during some remedial work in the 1940's, possibly undermining its original lateral loading resistance.

The missing lattice girders, part of the original lateral loading resistance, will be repaired by placement of new steel beams so that the repaired structural frame will match the original design

1.2 The existing windows on the two main elevations (Spruce and Nassau) are the original double hung wood sash windows, single glazed and balanced with counter weights. These windows will be restored and re-glazed with new double glazed thermo panes and the counter weights will be changed and rebalanced.

The existing windows on the courtyard elevations and the east building elevations are a combination of original wood sash windows and recently replaced double hung aluminum windows with thermo pane double glazing in aluminum frames.

The original wood sash windows will be replaced with new double hung aluminum windows with clear thermo pane double glazing in aluminum frames. Those that have been already replaced will remain and be rebalanced.

Lot line windows exist from floors 2 to 20 along the eastern most lot line wall as well as on floors 17 to 20 along the southern most lot line wall.

Lot line windows will be double hung aluminum windows in aluminum Frames and protected by lot line sprinklers as required by NYC Building Code.

1.3 The building has landmark status. Any work to the exterior of the building must be approved by the New York City Landmark Commission.

2. **Parapets and Copings**

2.1 Existing parapets are of solid CMU (bricks) with stone copings and are to be repaired.

2.2 New parapets will be of solid CMU (bricks) with stone copings secured with galvanized metal anchors.

3. **Chimneys and Caps:**

3.1 Chimneys for new fireplaces will be located on the 20th and 21st floor roofs. Each residential unit on floors 10 thru 20 and the penthouse unit will have a gas fireplace.

3.2 There will not be a boiler chimney rising through the building. Heating will be provided through steam exchanger. The building is Served by a Con-Ed steam line that enters the building at the ceiling of the sub cellar.

4. Balconies and Terraces

4.1 There are no balconies on this building. Roof terraces are located on the 2nd floor, the 21st floor and the 22nd floor. The size of the terrace on the 2nd floor is 8 ft. x 50 ft.. The size of the wrap around terrace on the 22nd floor which is exclusive to the penthouse unit is 5 feet wide. The common roof terrace for the building is located on the 21st floor and has an area of 1200 sq. ft. The penthouse unit also has a roof top terrace on the 21st floor of an area of 1200 sq. ft.

4.2 Terraces finishes will be of pre cast concrete pavers.

4.3 Terrace balustrades will be of solid CMU (bricks) min. 3'-6" high

5. Exterior Entrances

5.1 The main entrance to the residential apartments from floors 10 through 20 and the penthouse unit will be located on Nassau Street.
The two story original entrance design will be replicated with precast stone complete with columns, steps and detailing. The glazed entrance doors and side lights will be from aluminum frames and sealed double glazing. The design of the entrance doors will replicate the original look.

New storefront glazed entrance doors and sidelights will be from aluminum frames and sealed double glazing. The design will replicate the original look.

5.2 Vestibule inner doors and side lights will be from aluminum frames with single pane tempered glass.

5.3 The exterior stairs at the entrance will be recreated to the original look. These stairs will be in granite.

5.4 There are no exterior railings at the entrance.

5.5 Mail boxes will be installed within the lobby area. Mail box equipment will conform to U.S. Postal Service Regulations and has been approved by the Postmaster general. Mail boxes will be of extruded aluminum construction, front loading box prepared for postal master lock.

6. **Service Entrance**

None

7. **Roof and Roof Structures**

7.1 The existing roofing material will be removed and the existing substrate repaired to receive the new roofing.

The existing roofing deck is light weight topping over existing corrugated steel vaults or terracotta, all supported by steel structure.

New insulation will be applied over the substrate with min. R value of 20.0. Insulation will taper to roof drains.

The roofing membrane will be a two-ply cold applied 150 mils thick Membrane by Laurenco or equal.

Concrete pedestal pavers will be used as lightweight ballast.

There will be a 2 year guarantee covering defects in materials and workmanship and a 10 year warranty against leakage.

7.2 Roof drains will be in cast iron with flat type grates on terraces. All leaders will be cast iron no hub.

7.3 One aluminum framed sky light will be installed over the penthouse 21st floor entrance.

7.4 The elevator stair and mechanical bulkheads will extend above the 21st floor roof. The exterior cladding will be prepainted metal cladding.

7.5 Roof top facilities will include a common roof top terrace accessed via elevator # 2. There will also be a private roof top terrace dedicated to the penthouse unit.

8. Fire Escapes

There will not be any exterior fire escapes.

However, an open metal grate steel stair will lead from the 22nd penthouse floor to a lower roof to provide access to the building egress stairs. The vertical rise of this steel stair is 4'-6". The upper most flight of the new scissor stairs is open to the sky.

9. Yards and Courts

The building has an 8' x 50 roof terrace on the 2nd floor, finished with concrete pavers. This terrace is only accessible from unit 2D on the 2nd floor.

There is a roof top common terrace of approximately 1200 square feet. This terrace is finished in concrete pavers and is accessible via elevator # 2 from the 21st floor. There is a roof top terrace of about 1200 square feet dedicated exclusively for the penthouse condominium unit. The finish on this terrace is concrete pavers.

In addition there is a roof top wrap around terrace surrounding the 22nd floor of the penthouse condominium unit. This too is exclusive to the penthouse unit and is also finished in concrete pavers.

Storm water from all terraces will be collected at roof drains at low points and these will be connected via the building drainage pipe system to the public sewers.

Railing enclosing terraces where railings are required will be steel pipe railings 1½ inches in diameter and will be painted. Height of railings will be 3'-6" above finished terrace level.

10. Interior Stairs

The building will be served by two new independently enclosed stairs (scissor stairs) from the first floor through to the 22nd floor. The two (2) staircases are to be newly built. Walls surrounding egress stairs will be two (2) hour rated to meet Building Code requirements. New stair construction be from steel channel stringers supported on steel framing with concrete filled twelve (12) gauge steel pan treads and twelve (12)

gauge steel stringers. Egress stair stringers are steel channels. Egress stair treads are concrete filled steel pan. Egress stair risers are steel.

The upper most flight of the scissor stair is open to the sky. From floors 21 to 1st the scissor stair is completely enclosed.

Handrails to be from 1 5/8" diameter steel pipe and ½" steel bar pickets. Knewel posts will be 3" x 3" square steel posts. Landings and platforms will be 6" concrete planks with a 2" concrete topping. Planking will be supported on steel framing. There are no balustrades.

11. **Interior Doors and Frames**

Entrance doors to apartment units will be U.L. labeled one (1) hour rated hollow metal door construction in pressed steel rated frames complete with automatic closer and smoke seal. Interior unit doors will be solid core masonite doors with wood frame and casing. These doors will be unlabeled and will not be required to have a fire rating. Corridor doors will be U.L. labeled one (1) hour rated hollow metal doors.

Stair hall doors will be U. L. labeled two (2) hour rated hollow metal doors in pressed steel frames complete with automatic closer and smoke seal. Roof doors to be insulated hollow metal in pressed steel frames complete with automatic closer and weather-stripping. Boiler room doors will be hollow metal with U.L. labeled two (2) hour rating with pressed steel frame.

The exterior garage entrance door is an overhead coiling metal garage door.

12. **Elevators**

12.1 There will be 4 new passenger elevators in the building. Two geared passenger elevators # 3 and # 4 will serve floors 1 through 9. Two geared passenger elevators # 1 and # 2 will serve the floors 10 through 20 as well as the 1st floor and the 21st floor. Elevator # 1 will be exclusive to the penthouse unit on the 21st floor.

Elevators # 2 and # 4 are oversized in order that they may be used for service elevators. There will be a car-lift elevator serving the cellar and sub-cellar floors.

12.2 The speed of elevator 3 and 4 will be 350 feet per minute. The speed of elevator 1 and 2 will be 450 feet per minute.

12.3 The capacity of elevator 2 and 4 is 2500 pounds.
Elevator 2 and 4 can each hold a maximum of 13 people.
The capacity of elevator 1 and 3 is 2000 pounds
Elevator 1 and 3 can each hold a maximum of 16 people

12.4 The manufacturer of the elevators will be selected from Otis, Schindler, Thyssen-Krupp or equal.

12.5 The car and hoistway doors to be single speed, side opening horizontal sliding type. Door heights are 7'-0".

12.6 Elevator machine room for elevators 1 and 2 is located on the 11th floor.
Elevator machine room for elevator 3 and 4 is located on the 10th floor.

12.7 All elevators will comply with section RS18 of the Building Code regarding accessibility for the handicapped.

12.8 A holeless piston hydraulic car lift will be provided to take cars from the cellar level to the subcellar level.

13. **Elevator Cabs**

The sponsor has not selected a manufacturer for the interior of the elevator Cabs.

I. LAUNDRY ROOMS

1. Each residential unit on floors 10 to 20, the penthouse, and the 2nd floor will have a stacked washer dryer combination unit. The Dryer will be ventless electric dryers..

The residential units on floors 3 to 9 will have a common laundry room,

one on each floor with 2 stacked washer / dryer units. Dryers will be electric ventless .

2. Each residential unit on floors 10 to 20 and the penthouse will have a gas cook top with exhaust hood, exhausting to the outside via kitchen exhaust duct risers.

   The residential units on floors 2 to 9 will not have mechanical exhaust for the kitchens except in the studio apartments as required by NYC Building Code.

3. Refuse Disposal

   3.1 A new high rise automated multi-story recycling system will be installed complete with chute and sorter with compactor which will be located in the cellar. The controlled floor access door will be in stainless steel, UL labeled 1½ hour door. The intake door is integrated with a control panel which includes the waste / recycling system low voltage electronics and safety interlocks in a UL labeled "B" 1 ½ hour assembly.

   3.2 There will be a centrally located refuse chute 24" diameter of U.S. 16 gauge aluminized steel.

   3.3 Intake doors to be 15" wide x 18" high stainless steel bottom hinged, hand operated, self-closing, positive latching doors bearing UL labeled "B" 1 ½ label designation

J. PLUMBING AND DRAINAGE

1. All plumbing work will be new

2. Water supply will be distributed for low zone requirement at the second floor and high zone will be distributed on the ninth floor.
3. A combined fire standpipe sprinkler is provided with schedule AO pipe and vocalic fittings. Sprinkler heads will be exposed side wall, concealed type in ceiling area and exposed up right in garage. Hose valves are provided at each stair landing and 375 feet of fire department hose will be provided at the lobby. Siamese connection will be provided as per New York City fire department guide line.
4. One 12,000 gal. wood fire reserve tank is located on the roof

5. A triplex constant pressure booster with main pressure reducing valve will be provided for zoning
6. .1 Sanitary sewage: piping to be cast iron, no HUB iron
   .2 Sewage pumps to be duplex sewage ejector pumps.
   .3 Sewage dispose to be via public sewer system
7. Rain water leaders will collect at base off building and connects to sanitary system and connect to street sewer as a combine sewer
8. There are no catch basins on the site

K. HEATING

1. Heating for all portions of the building shall be supplied by means of a high pressure steam main from Spruce Street furnished by Consolidated Edison Co. of New York.
   The 4" existing high pressure steam service is extended to a new meter station and pressure reducing station. The low pressure steam that is used to heat the condense water system to 70° F.
   A meter station (meters furnished by Con. Edison) shall precede a two-stage pressure reducing station , reducing the incoming pressure (200 psig) to medium pressure (50 psig) then to low pressure (15 psig)
2. Heating is distributed by two means:
   2.1 Hot water heating system to hot water reheat coils & cabinet heaters. Hot water is heated by means of steam to hot water heat exchanges and by hot water distribution pumps. (P-5 & P-6)
   2.2 The residential apartments are heated by means of console heat pumps located along the exterior walls. The secondary heat pump water temperature is maintained by heating the closed loop system by steam to water heat exchanges and the water distributed by distribution pumps. (P-3 & P-4)
   Automatic temperature controls are of the electric/electronic type consisting of all valves, relays, dampers, actuators, e.p switches, wiring and all appurtenances required for a complete system.
3. Piping shall be schedule 40 black steel, schedule 80 extra heavy and type heat pump water above a concealed ceiling shall be insulated "L" copper tubiry. All hot water piping and concealed condenser water or
4. Heating fuel shall be natural gas
5. The heating plant and equipment will be able to maintain 68°F space heating when the outdoor temperature is 11°F as per the New York State energy code.

M. AIR CONDITIONING

1. Air conditioning system will be totally new
2. The air conditioning system consists of horizontal console type heat pumps with discharge and return registers, capable of maintaining 78°F, 50 % R.H room condition when the outside air temperature is 91°F db and 76° wb.
3. The central system consists of a 2 cell, 450 ton cooling tower with condenser water piping down to pumps (P.1 & 2) located in the boiler room which distributes to a plate frame heat exchanger distributes heat pump water to all apartments, condominiums, lobbies, retail spaces and corridor systems.
4. Each apartment will have horizontal console type heat pump (s) of sufficient number to furnish year-round heating and cooling.

N. VENTILATION

1. Kitchens in the studio apartments only are exhausted as required by NYC Building Code. Kitchens in all condominium apartments on floors 10 to 20 are exhausted by a hood with built in exhaust fan and a central riser duct.
2. All window-less toilets or baths are centrally exhausted.
3. All corridors are ventilated at a rate of ½ cfm /square foot with tempered air.

O. ELECTRICAL SYSTEM

1. The electric system will be totally new
2. The main service switch gear will be 4000 ampere, 120/208v, 3Ø, 4w 5000 amp switch, 4000 amp main service switch
3. Individual unit risers to be 2000 amps for each meter bank feeder for apt. apartment and condominium loads
4. Sectional meter boards to be Con Edison meter banks on floors 3, 6, 7, 12, and 18.
5. Unit services range from 40 amp, 1Ø, 3w, 120/208v to 125 amp, 1Ø, 3w, 120/208v with all required 1P-15A, 1P-20A and 2P-30A circuit breakers for 6T6., appliances, washers, dryers, dishwashers.
6 Average number of circuits per apt. is 18 of various ratings and poles. Electric dryers are 120/208 volt, 2p-30A.
7. Lighting located in toilets (wall sconces), corridors, utility closets and master bedrooms.

8. Convenience outlets (@ 15' each) are provided per code. Appliance outlets (1P-20A) provided per code (3 min. in kitchens).
9. Garage in cellar & sub-cellar feed from separate detail, unlimited, wiring through (800A, 3d, 4w, 120/208v).
10. Amperage Chart – Upper floor apartments (floors 10 to 20)
    "A" line units : 125 amps (typical floors 10 to 20)
    "B" line units : 125 amps (typical floors 10 to 20)
    "C" line units : 100 amps (typical floors 10 to 20)
    "D" line units : 125 amps (typical floors 10 to 20)
    Penthouse:
    Floor 21 : 175 amps
    Floor 22: 175 amps
11. Amperage Chart – 2nd floor apartments
    "A" and "D" line : 100 amps
    "B" and "C" line : 125 amps

12. Amperage Chart – Lower floor apartments (floors 3 to 9)

"A" line	: 50 amps
"B" line	: 50 amps
"C" line	: 50 amps
"D" line	: 50 amps
"E" line	: 50 amps
"F" line	: 50 amps
"G" line	: 50 amps
"H" line	: 50 amps
" I " line 3rd	: 40 amps
" I" line 4th	: 50 amps
" I" line 5 to 9	: 40 amps
" J" line 4 to 9	: 50 amps

P. INTERCOMMUNCATION and /or DOOR SIGNAL SYSTEMS, SECURITY CLOSED CIRCUIT TV

The intercom system will be a door link system through the telephone network A separate provider for all services is being solicited and is as yet undermined.

Q. PUBLIC AREA LIGHTING

Lighting will be furnished to the public areas of the building through fluorescent and / or incandescent fixtures.

R. GARAGE AND PARKING AREAS

1. An accessory parking garage will be located in the sub cellar and there will be twenty-six (26) parking spaces. The surface will be concrete or asphalt and the parking will be attended to and separately operated and the operator will be responsible for all the appropriate systems. The garage will be fully sprinklered. Our hydraulic car lift will carry the cars from the cellar to the sub-cellar. The garage will be provided with multiple area sump pumps discharging into the storm leader connection.

2. The two story garage is unheated space that is ventilated by means of supply air thru an outside air louver for both levels and a duct exhaust system on each level with each floor having an exhaust fan. Ventilation is based on the New York City Building Code.

S. SAFETY AND WARNING DEVICES

Smoke detectors will be provided as per Building Code requirements within Fifteen (15) feet of each bedroom door, smoke detectors are hard-wired.



THE CITY OF NEW YORK
DEPARTMENT OF BUILDINGS

Technical Report: Periodic Inspection of Exterior Walls and Appurtenances

February 21, 1995 – February 21, 1997
Please File 3 Copies
This Form Must Be Typewritten and Microfilmed with the Report

RECEIVED
DEPARTMENT OF BUILDINGS
Cycle Number
MAY 13 1998
CITY OF NEW YORK
BOROUGH OF MANHATTAN

1 Filing Status

[X] Initial Filing [ ] Amended filing Indicate initial filing date: / /

Was filing made for any previous cycles (yes/no)? If yes, indicate last filing date: 3 / 6 / 92

2 Location

Borough MANHATTAN Block 100 Lot(s) 3 BIN

House Nos. 150 Street Name NASSAU STREET

A.K.A. address(es)

3 Applicant

Last Name BODNAR First Name CSANAD M.I.

Business Name CSANAD BODNAR & ASSOCIATES Business Phone (212) 986-4998

Address 237 EAST 39th STREET City NEW YORK State NY ZIP 10038

[ ] P.E. [X] R.A. Lic. No. 021771-1

4 Owner

Last Name SHANAB First Name HASSAN M.I. Title PRES.

Business Name LANCET 150 NASSAU, L.P. Business Phone (212) 227-4604

Address 150 NASSAU STREET City NEW YORK State NY ZIP 10038

5 Building Characteristics

Number of Stories 20+3 Penthouses Exterior Wall Type REINFORCED MASONRY

6 Prior Status

[ ] Ongoing Maintenance Program [X] Precautionary Conditions [ ] Unsafe Conditions

[ ] Conformed with Code Requirements Current Completion of Work Estimated to be % Current Completion of Work Estimated to be %

7 Current Field Report

Critical Examination

[X] All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives.

[ ] All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives except:

[X] The precautionary work described in the report.

[ ] The unsafe conditions described in the report and below:

Ongoing Maintenance Program

[ ] All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives.

[ ] All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives except for ongoing remedial work described below:

8 Statements and Signatures

I hereby state that the owner has authorized me to make this application. Furthermore, I hereby state that all statements are correct and complete to the best of my knowledge. A copy of this report has been given to the owner.

Falsification of any statement is a misdemeanor under Section 26-134 of the Administrative Code and is punishable by a fine or imprisonment, or both.

It is unlawful to give to a city employee, or for a city employee to accept, any benefit, monetarily or otherwise, either as a gratuity for properly performing the job or in exchange for special consideration. Violation is punishable by imprisonment or fine or both.

CSANAD BODNAR R.A.

Applicant Name

Signature Date

Seal (P.E. or R.A.)

LICENSED ARCHITECT No. 021771 STATE OF NEW YORK

SEE INSTRUCTIONS ON REVERSE SIDE

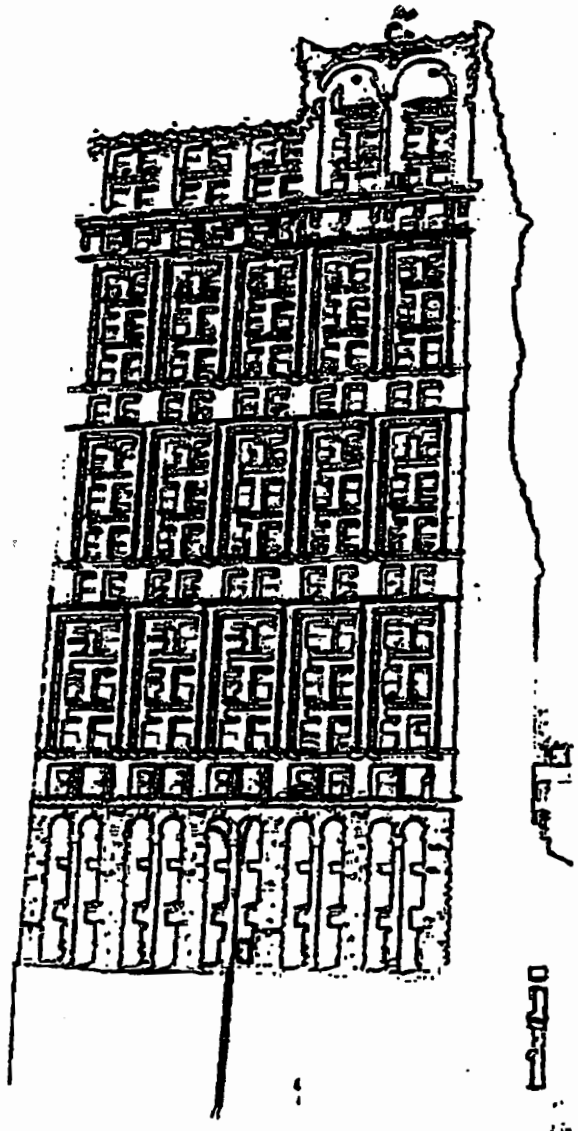
TR-E (Revised 1-95)

150 NASSAU STREET NEW YORK CITY NY

PERIODIC CRITICAL EXAMINATION OF EXTERIOR WALLS AND EXTERIOR APPURTENANCES REPORT

New York City Administrative Code
Section C26-105.3a
Local Law No. 10/1980

APRIL 1998



Conrad Bodner & Associates
ARCHITECTURE INTERIORS PLANNING GRAPHICS

Job # 98016 Date: 4.17.98

[illegible] SUITE 25 NEW YORK NY [illegible] FAX [illegible] PHONE [illegible]

Building Data

Erected: 1896
Location: 150 Nassau Street, New York City, NY

Architect: R.H. Robertson

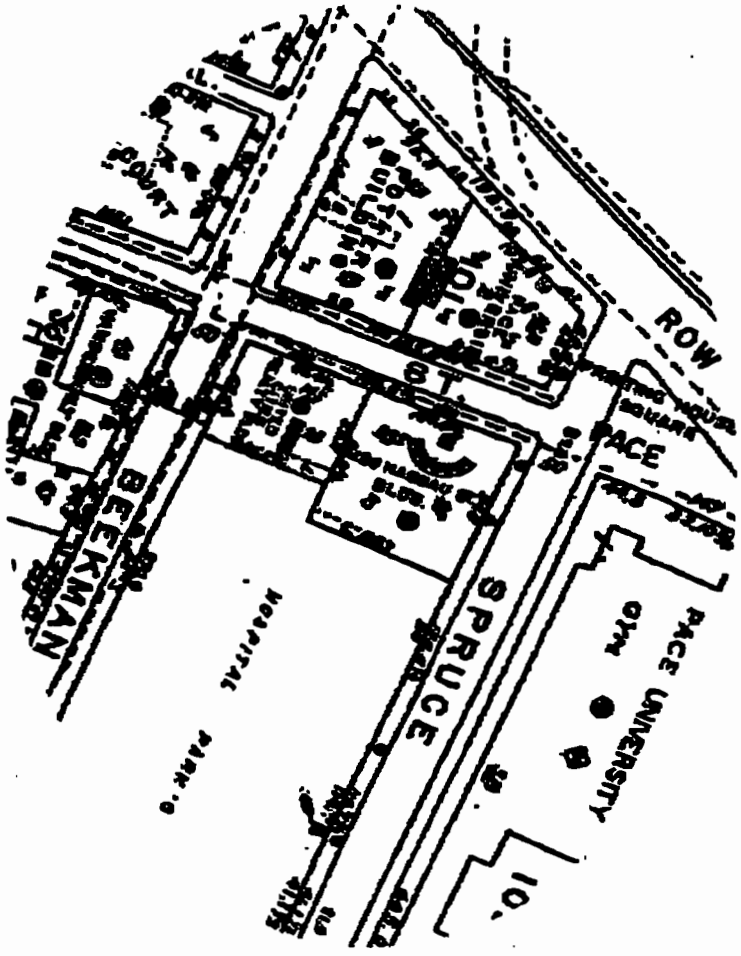
Owner: Lancet 150 Nassau, L.P.
150 Nassau Street, New York NY 10038

Commercial use
Dimensions: refer to plot plan
Block 100 Lot 3

Unavalaible/Unknown Certificate of Occupancy
20 Stories + 3 Penthouse stories
Reinforced Masonry Exterior Wall Construction
Terra cotta decorative elements,
brick and granite .
Terra cotta decorative elements, Cornice,
Belt courses and Flagpole exterior wall projection.
Setback at west side of the building at
20th. floor
Fire Escape stairs at light well.
No Marquees, balconies, potted plants
or light fixtures at exterior walls.
Wood and metal window frames, iron metal
railings at 5th. floor, window and wall mounted
air conditioners.
Flagpole, metal ductwork, statues and
steel tie backs protrude from wall lines.
Parapets, metal copings and metal railings
at 21st. floor.



150 Nassau Street
CBA Project # 98016 April, 1998



PLOT PLAN NTS
Block 100 Lot 3

150 Nassau Street
CBA Project # 98016 April, 1998

REPORT
Unsafe conditions, visible effects of significant deterioration, movement and water penetration.

Recommendations for repair and maintenance.

All conditions are described in the following pages as well as the suggested actions required to be taken to solve the situations encountered.

The following walls were examined:

Nassau Street (West wall) by means of moving scaffold on April 4, 1998.
Three drops mare made with a 40' long scaffold one at right, center and left sides of the facade.

South Wall
One drop was made with a 30' long scaffold on April 5, 98

Spruce Street (North wall) by means of moving scaffold on April 5, 1998.
Two drops mare made with a 40' long scaffold one at right, and left sides of the facade.

As precautionary measure a permanent scaffold has been erected at ground floor at Nassau and Spruce Street as required by NYCBC. The scaffold covers the full extent of the facades at these two streets.
These scaffolds were erected as a precautionary measure due the condition find at the South Wall. See pages # South2, South3 and Roof12.

East wall,
Scaffold was previously used examine the condition of this Wall.
Decorative steel lintels in precarious condition have been removed as shown in East Elevation pages East1 to east6.
As precautionary measure a permanent scaffold has been erected at ground floor in the adjacent parking lot as required by NYCBC. The scaffold covers the full extent of the east wall.
Photographs were taken at all sides of the building as shown in the following pages.
The camera used was a Pentax PZ 70 with 35-80mm lens and a zoom lens Rokina 200mm.

21st Floor Roof/Terrace.
A walk thru examination was performed in this area as described from pages #Roof1 to Roof15.

The examination was initiated on March 31st. And was concluded on April 9, 1998.
Weather varied with a temperature from 50 to 80 F.

A previous Report of Periodic Inspection of Exterior Walls and Appurtenances Fourth Examination Cycle Dated March 15, 1995 by Kline Engineering, P.C. Consulting Engineers was reviewed.
Some of the conditions described in this report were previously noted.
Some conditions shown increasing deterioration since Last examined as noted.
Some conditions have been repaired.
Repairs and maintenance are performed currently.
A full repair and maintenance program will follow due to the findings of this report.

This report is being filed with The New York City Department of Buildings at the request of the Building Owner : Lancet 150 Nassau, LP.

All effects of deterioration are shown page by page as well as the suggested way to repair or maintain them.

UNSAFE CONDITIONS

All conditions described in this report are precautionary or a maintenance issue
Any potential unsafe condition has been averted as noted in the following pages .
Scaffolds have been erected around the building as described above. (See page NA50)
A safety net has been installed at he south wall of the building.

The estimated time required to repair the conditions described in this report is 12 months.

150 Nassau Street
CBA Project # 98016 April, 1998

To maximize the accuracy of this report scaffolding has been utilized as described in the cover pages, as well as telescopic surveillance, zoom photographs from the street and adjacent buildings. This report will be utilized as a basis for repair and maintenance work to follow.

The Architect's responsibility is limited solely to that of critical examination, preparation and filing of this report in accordance with Section C26-105.3 of the Administrative Building Code of New York City, i.e. Local Law 10/80.

No statement in this report is intended to extend the Architect's liability beyond that required by local law 10/80.

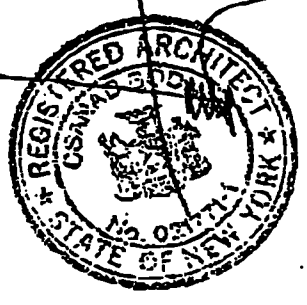
Is the owner's sole responsibility to correct immediately all conditions noted in this report as "Unsafe". The owner is also reminded to inform the Building Department of the corrections made for unsafe conditions. The owner is also urged to prepare a maintenance program for the correction of any conditions noted as requiring remedial work.

Critical statements made in this Report on the conditions of the building may not be used to justify criticism of previous Design Professionals, Contractors, or anyone responsible for the Building.

The Architect takes no responsibility for the accuracy of information relating to the past, present or future maintenance and repairs to the building, such as included in this report and has as its source the owner of the Building, his agents, contractors, etc.

Conditions of the Building noted and identified in this Report are limited to the date of the Report.

The information contained in this Report is to best of my knowledge true and correct.

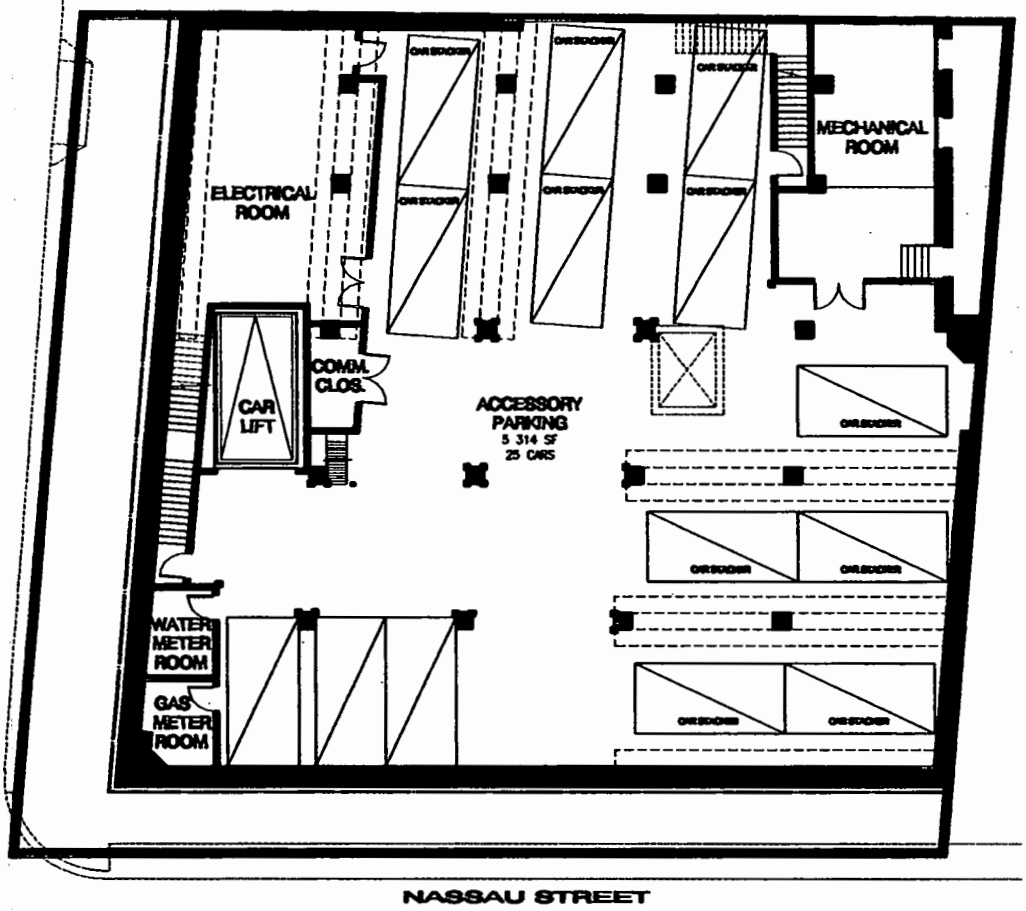


Ceanad Bodnar R.A.

FLOOR PLANS

150 NASSAU

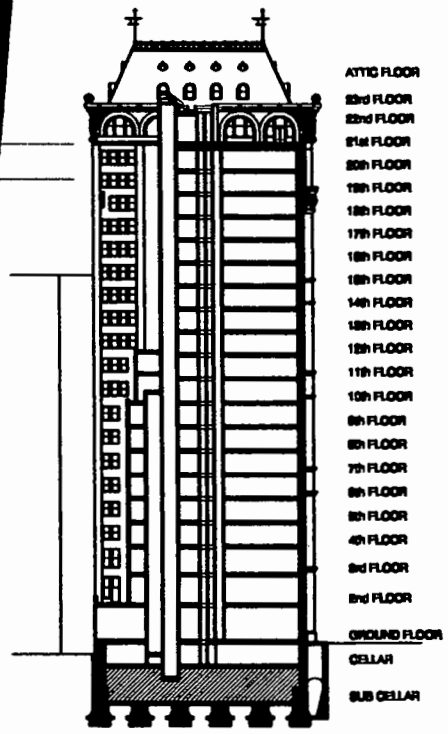
SUB-CELLAR



FLOOR NUMBER	PARKING AREA
SC	6 594 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



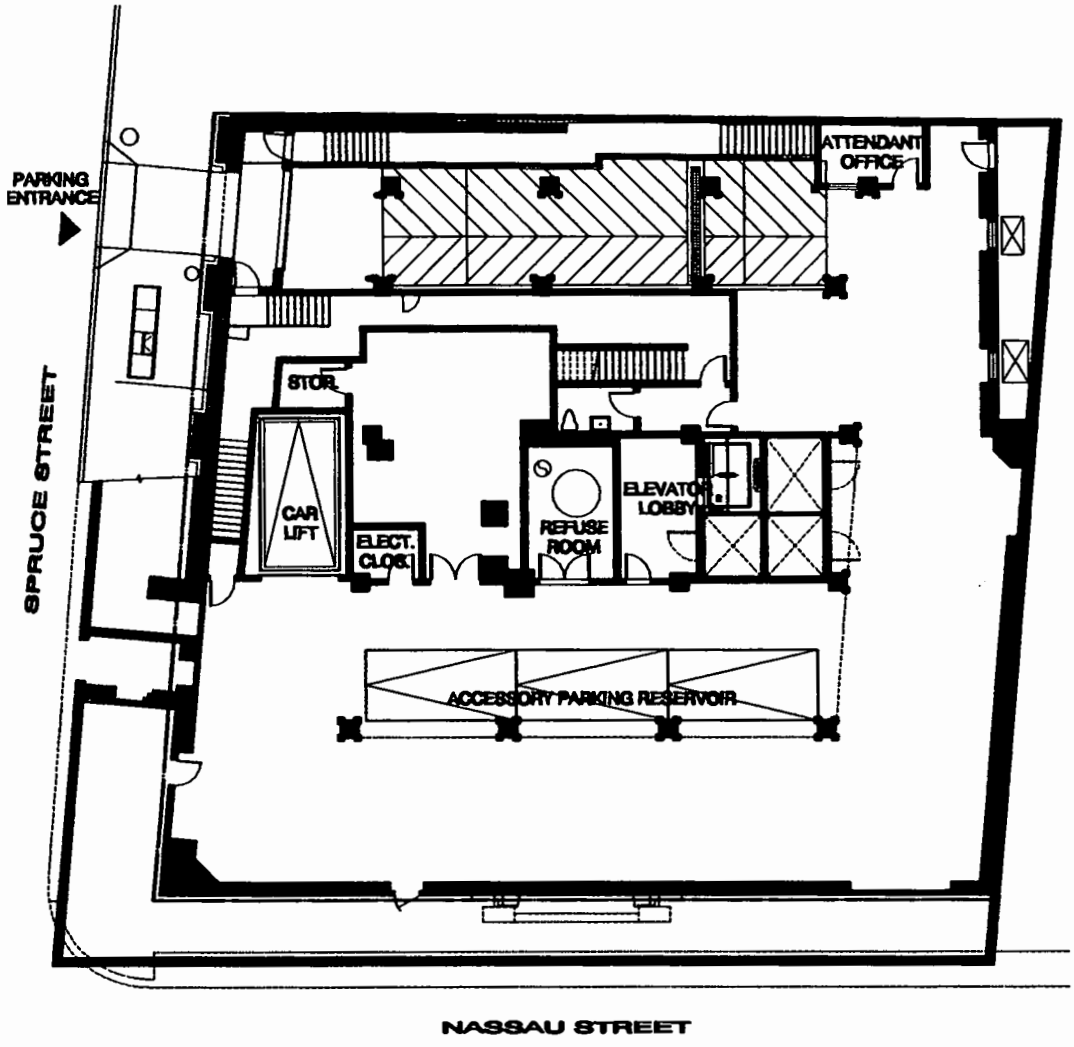
VERTICAL SECTION

4 2 0 2 4 10 20

AT CITY HALL PARK

150 NASSAU

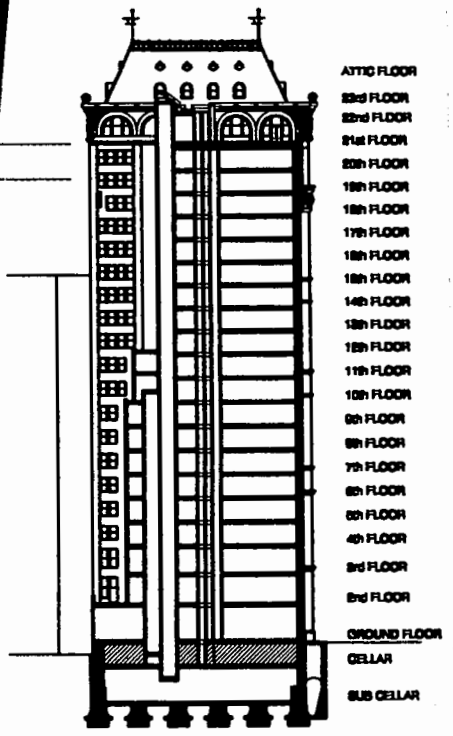
CELLAR



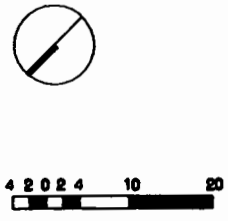
FLOOR NUMBER	PARKING AREA
C	6 077 SQ.FT.

All dimensions are approximate and subject to normal construction variance and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



VERTICAL SECTION



AT CITY HALL PARK

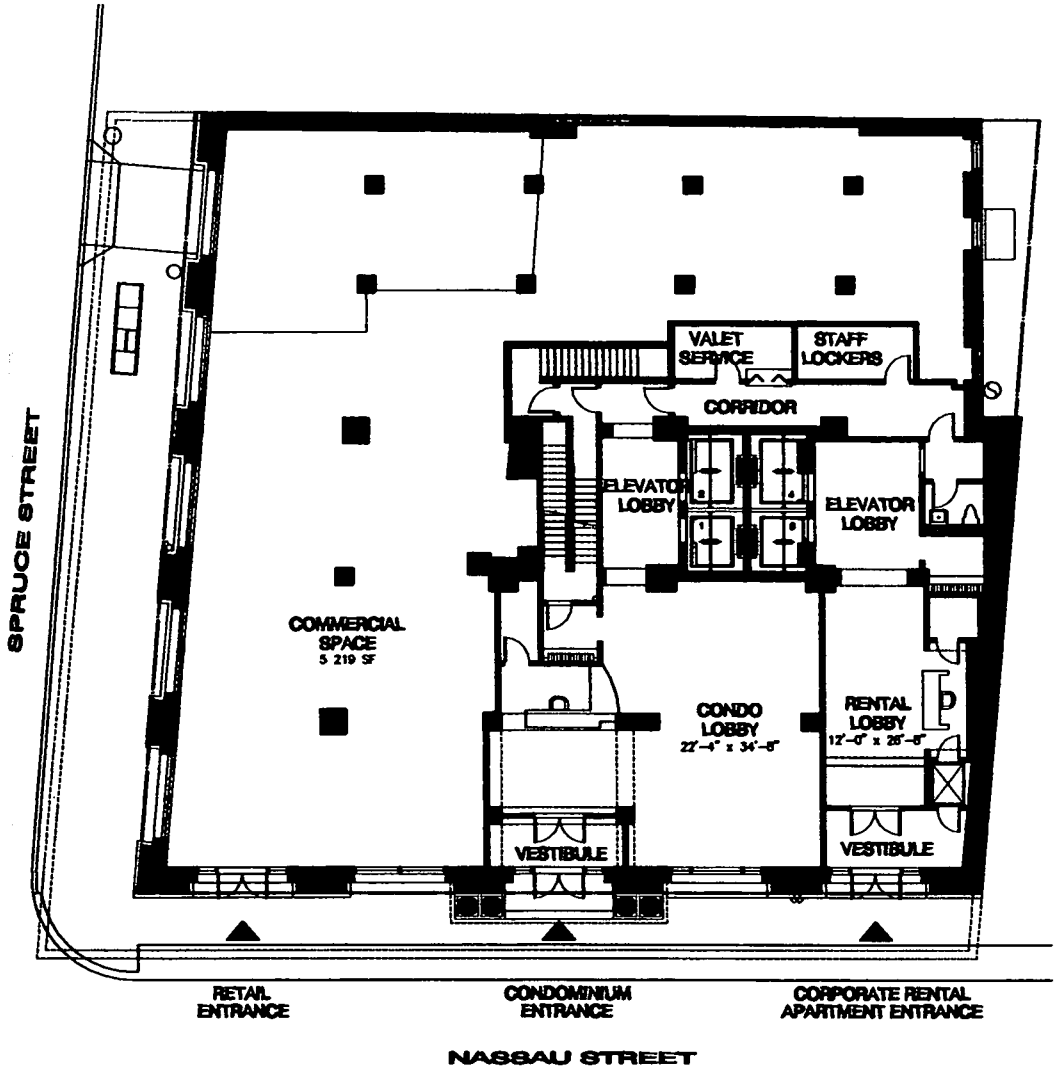
150 NASSAU

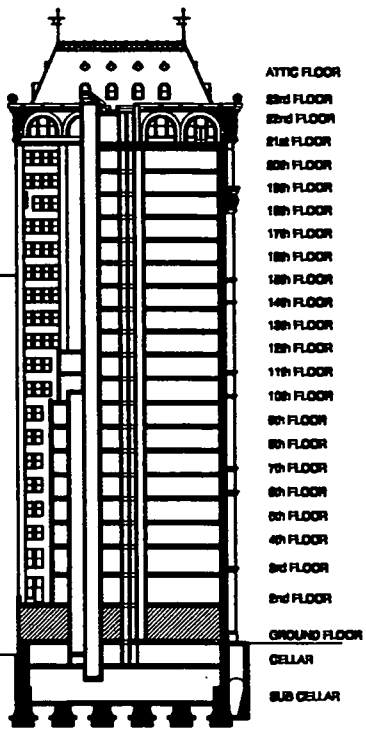
GROUND FLOOR

FLOOR NUMBER	COMMERCIAL AREA
1	5 686 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





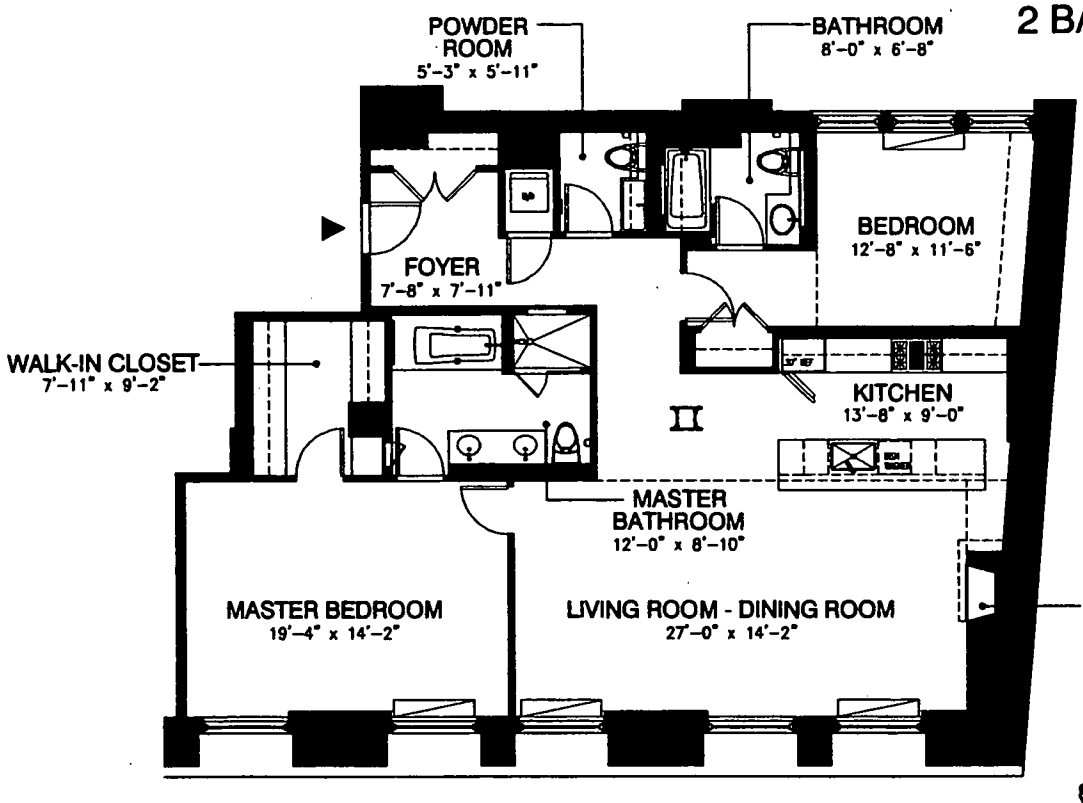
VERTICAL SECTION

4 2 0 2 4 10 20

AT CITY HALL PARK

150 NASSAU

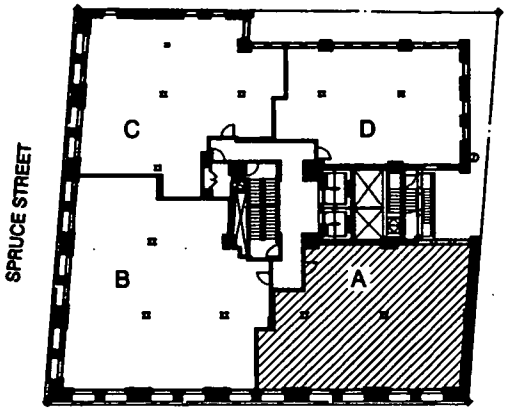
10A
2 BEDROOMS
2 BATHS / 1 POWDER



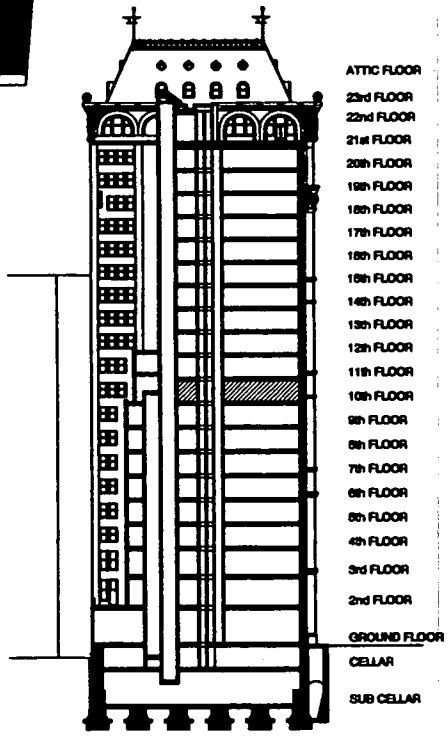
FLOOR NUMBER	APARTMENT AREA
10A	1 798 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



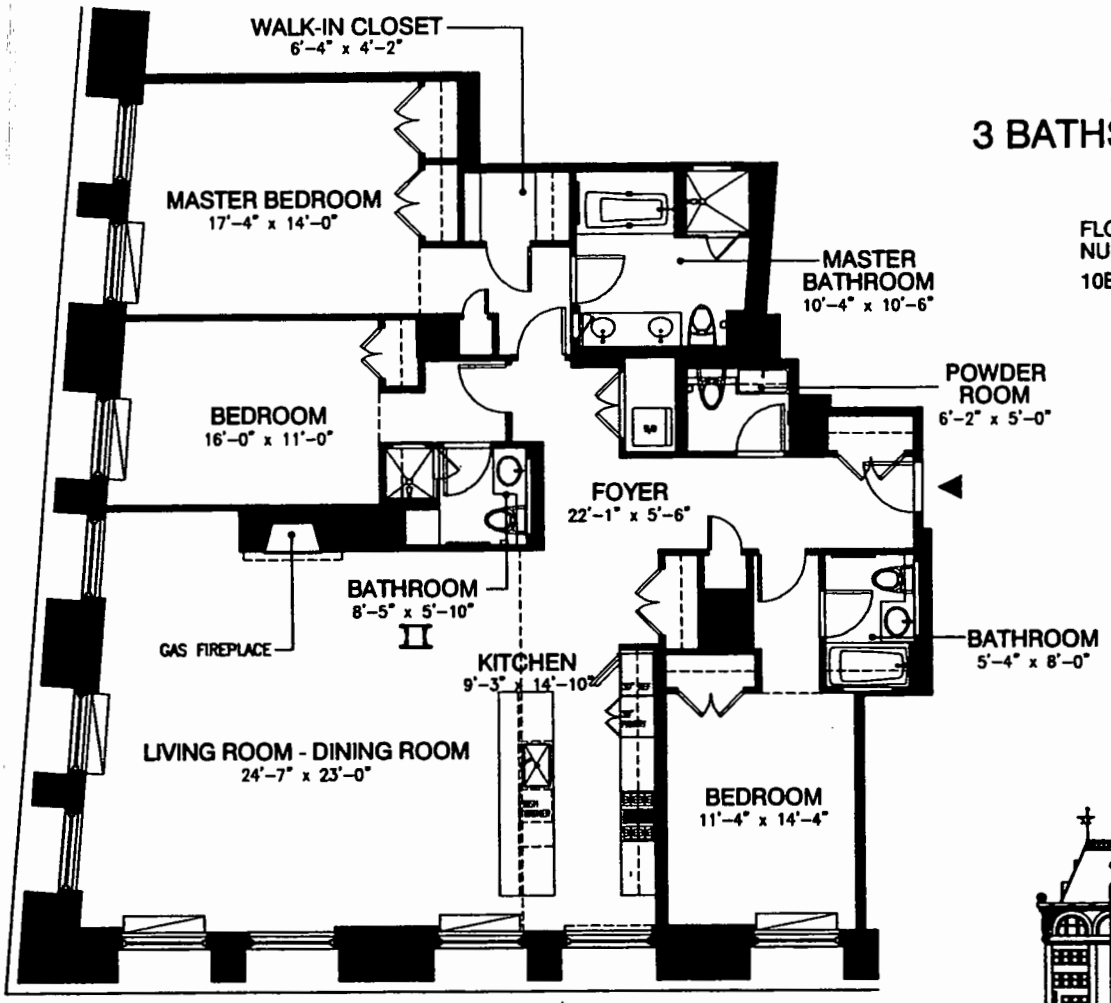
KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

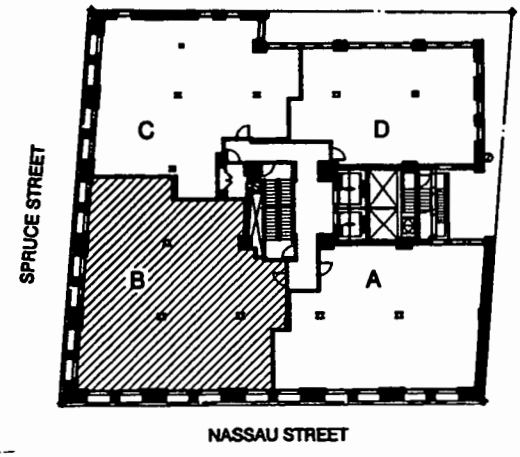


10B
3 BEDROOMS
3 BATHS / 1 POWDER

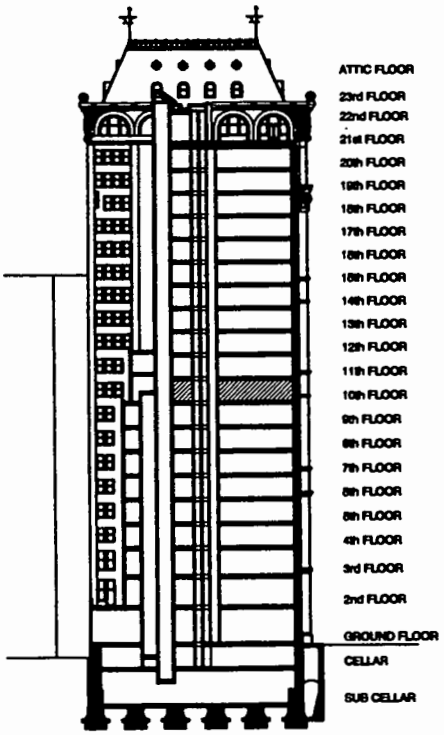
FLOOR NUMBER	APARTMENT AREA
10B	2 365 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

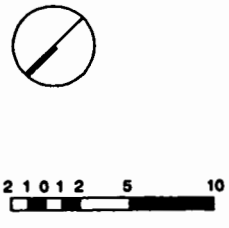
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

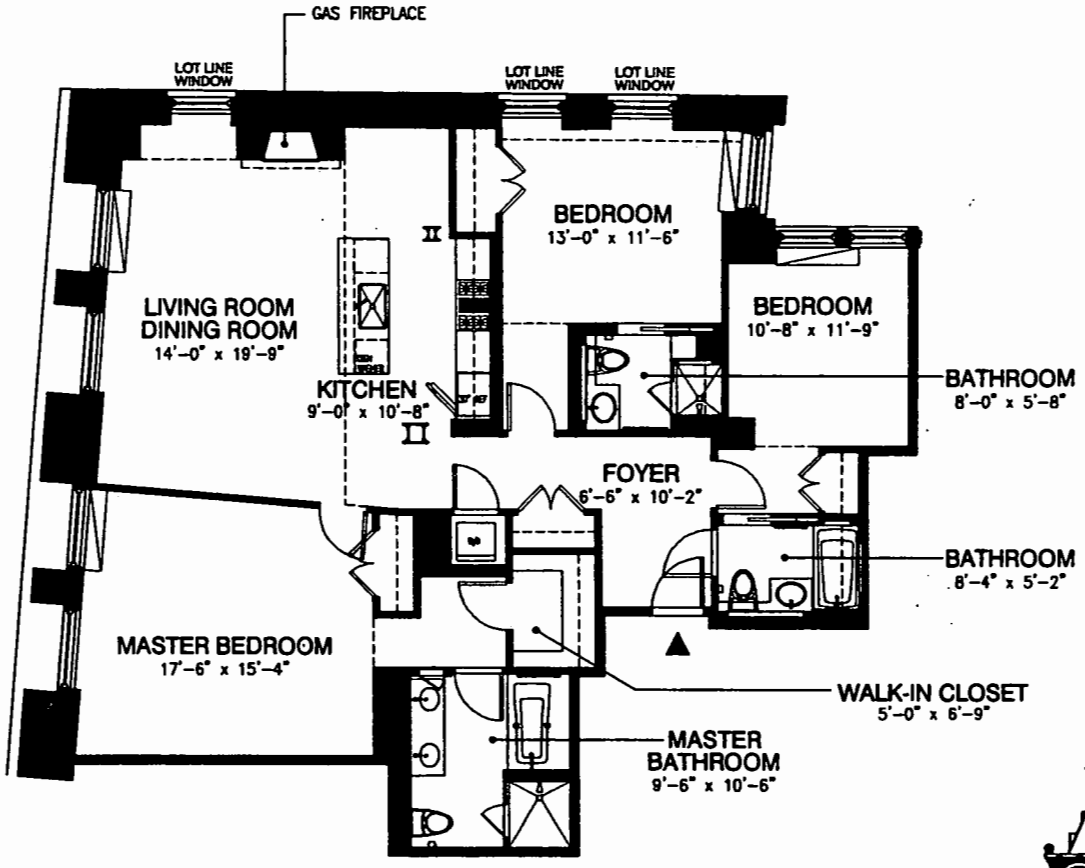


VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

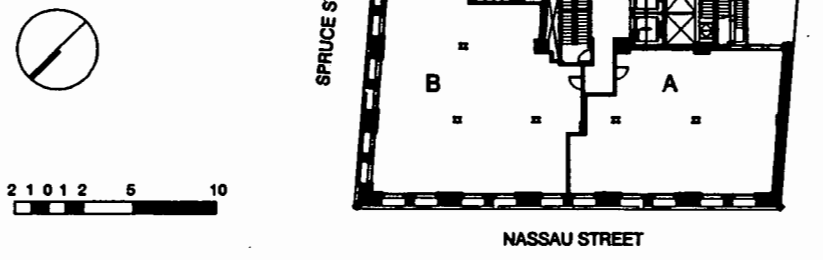


10C
3 BEDROOMS
3 BATHROOMS

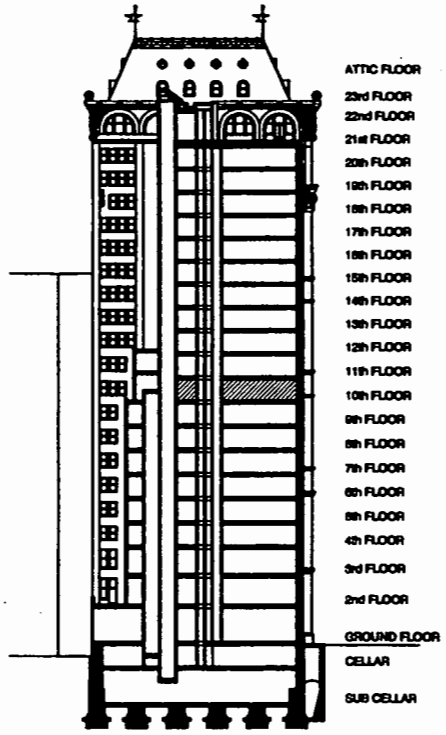
FLOOR NUMBER	APARTMENT AREA
10C	1 798 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

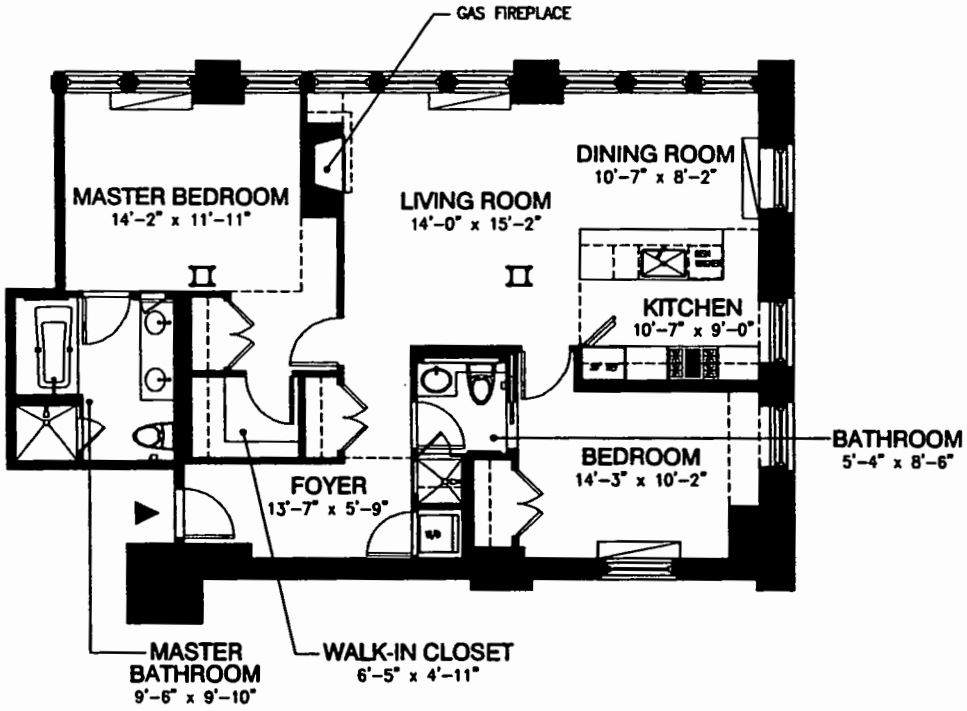
150 NASSAU

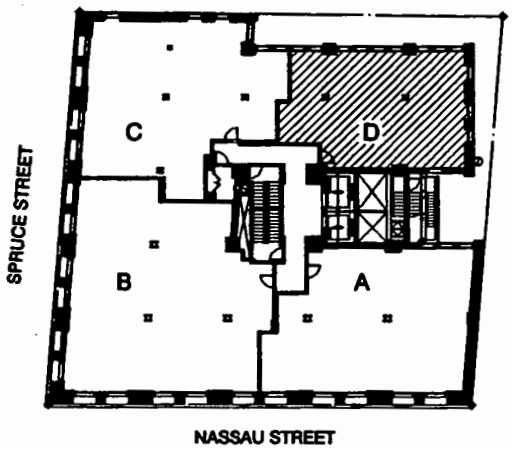
10D
2 BEDROOMS
2 BATHROOMS

FLOOR NUMBER	APARTMENT AREA
10D	1 307 SQ.FT.

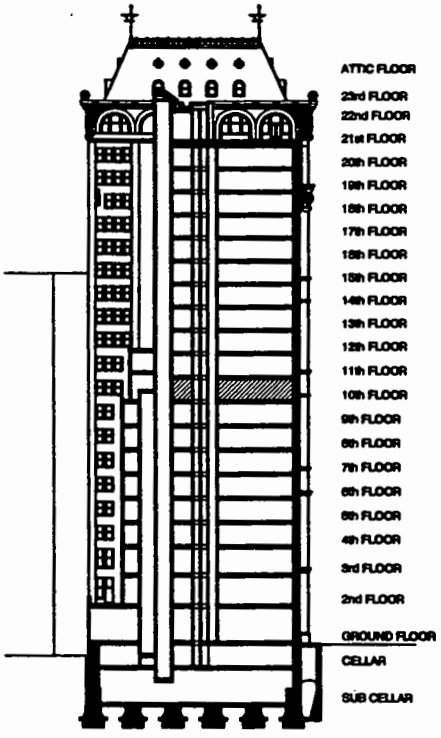
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.

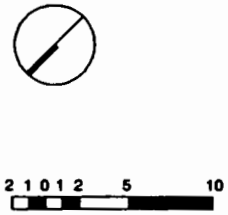




KEY PLAN



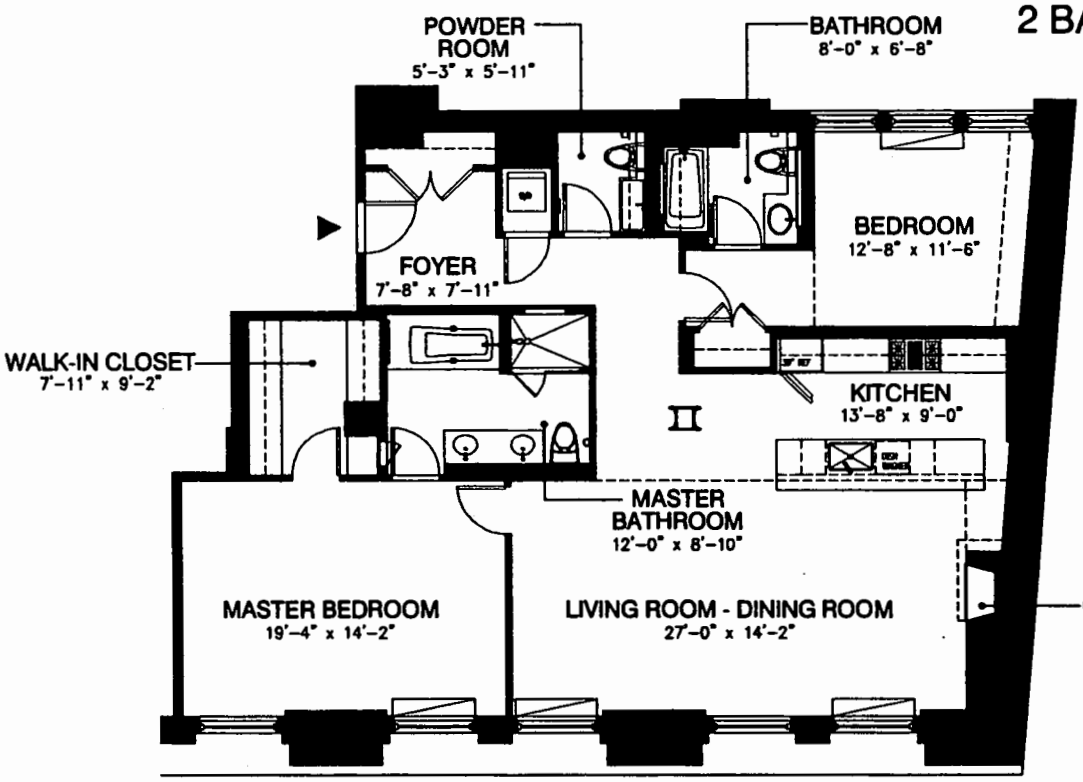
VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

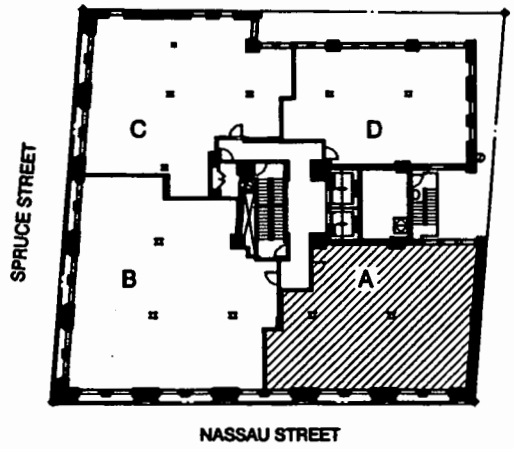
11A
2 BEDROOMS
2 BATHS / 1 POWDER



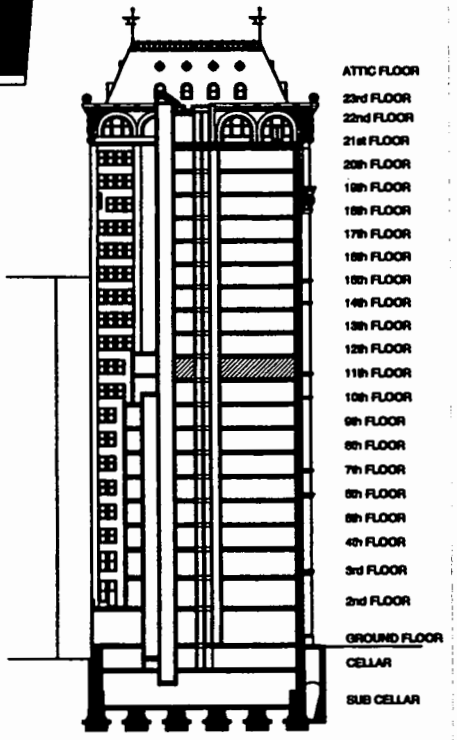
FLOOR NUMBER	APARTMENT AREA
11A	1 793 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

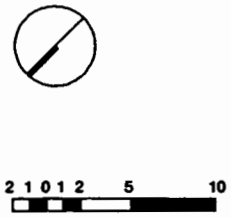
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

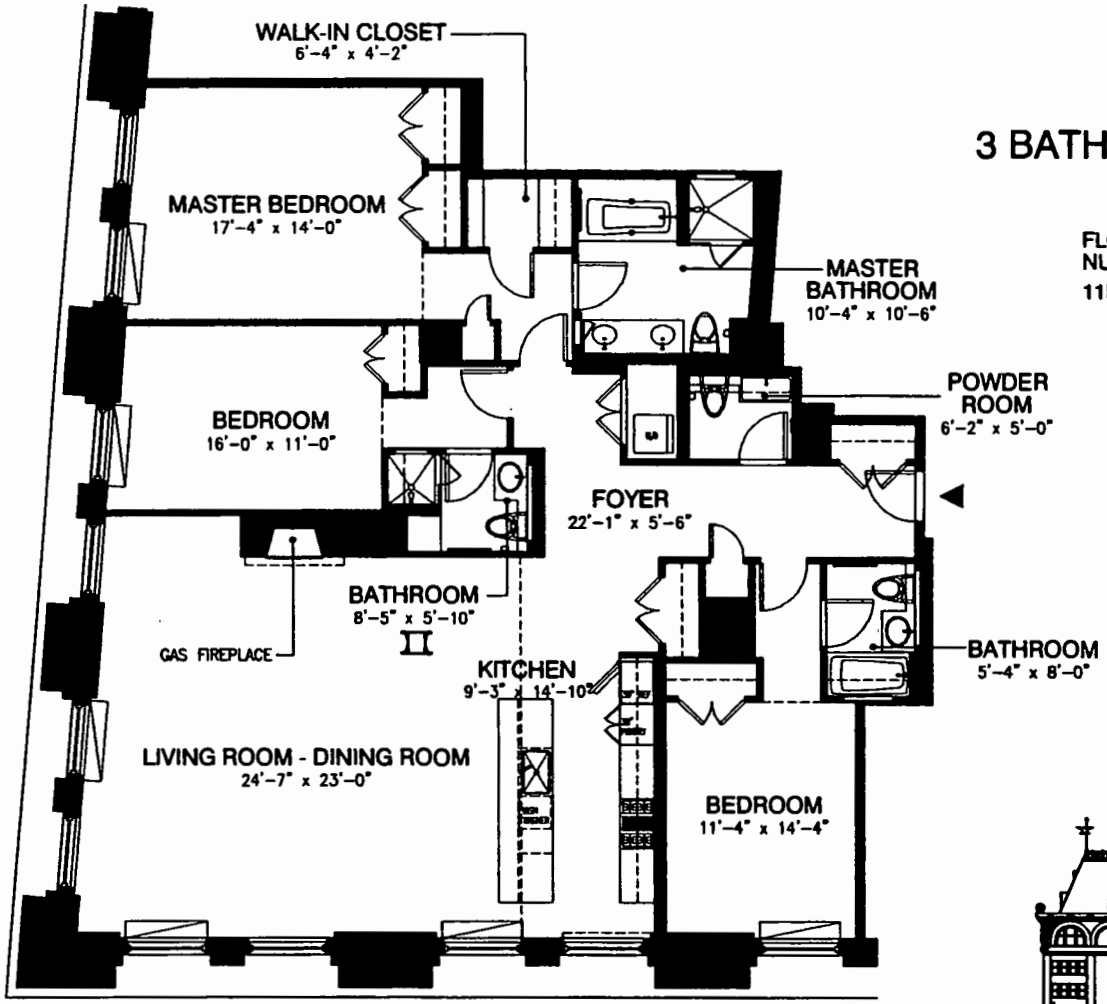


VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

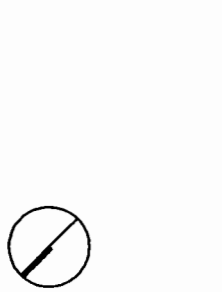


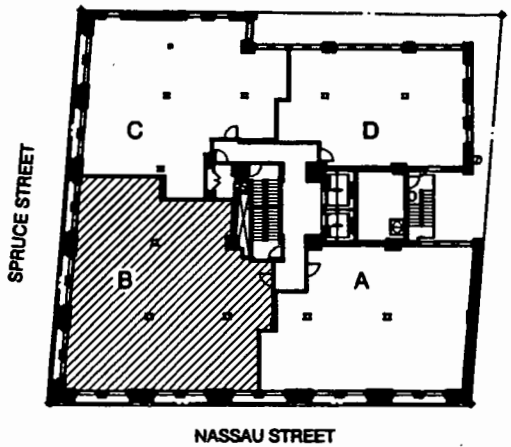
11B
3 BEDROOMS
3 BATHS / 1 POWDER

FLOOR NUMBER	APARTMENT AREA
11B	2 353 SQ.FT.

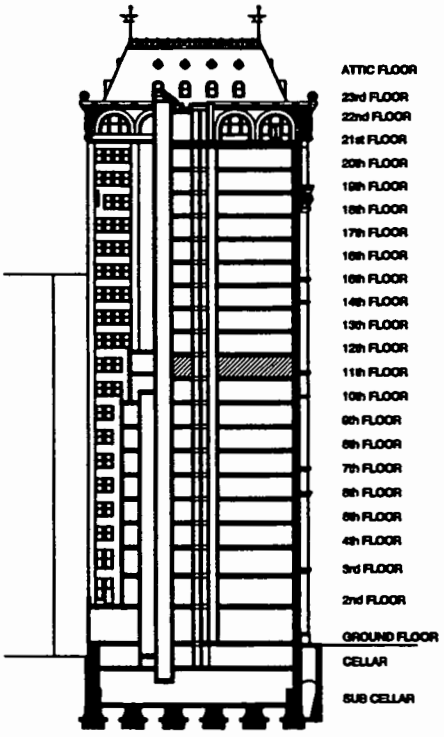
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





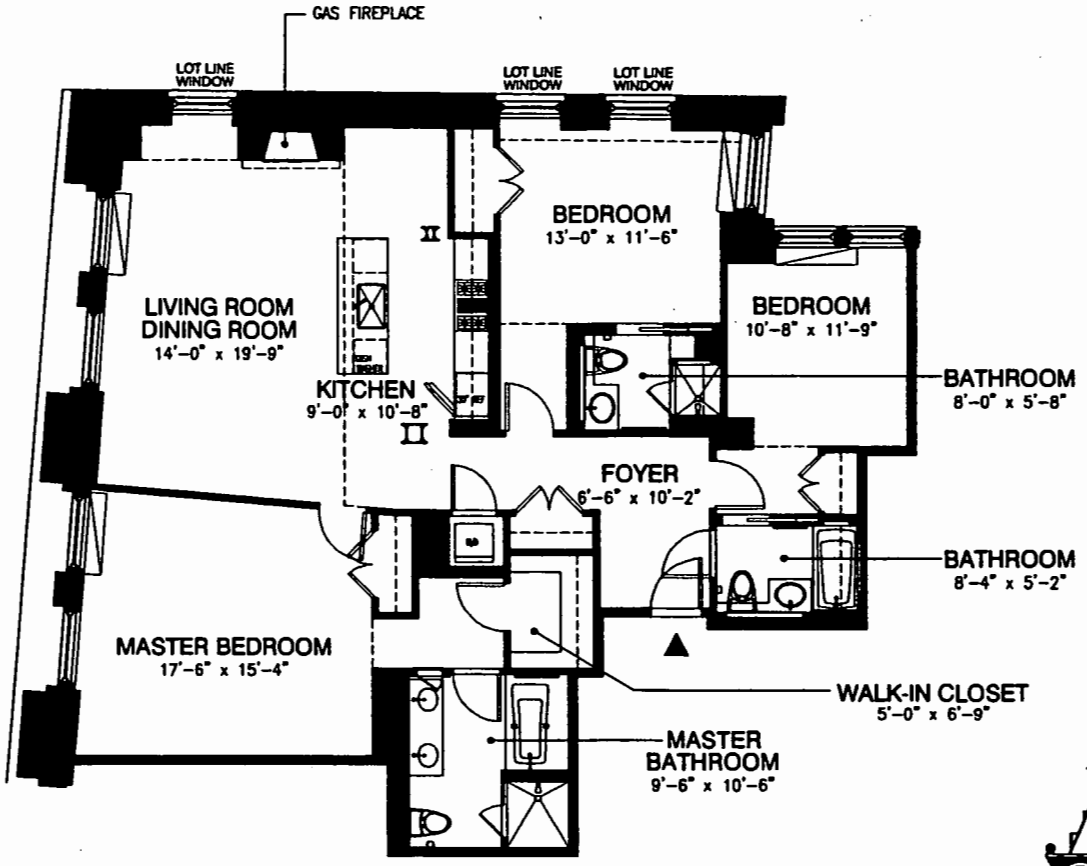
KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

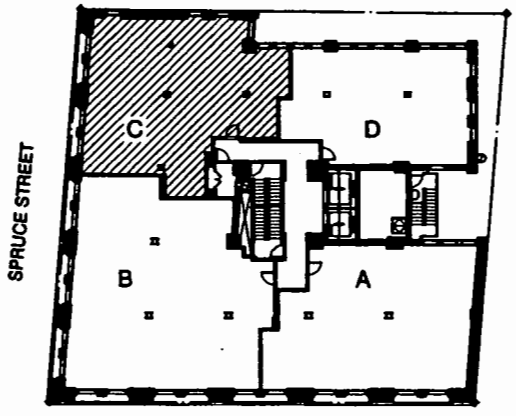


11C
3 BEDROOMS
3 BATHROOMS

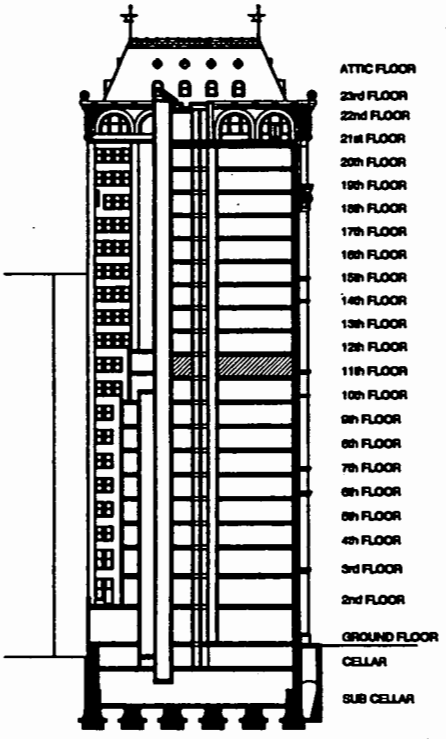
FLOOR NUMBER	APARTMENT AREA
11C	1 793 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

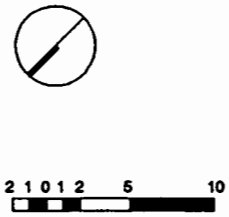
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION



AT CITY HALL PARK

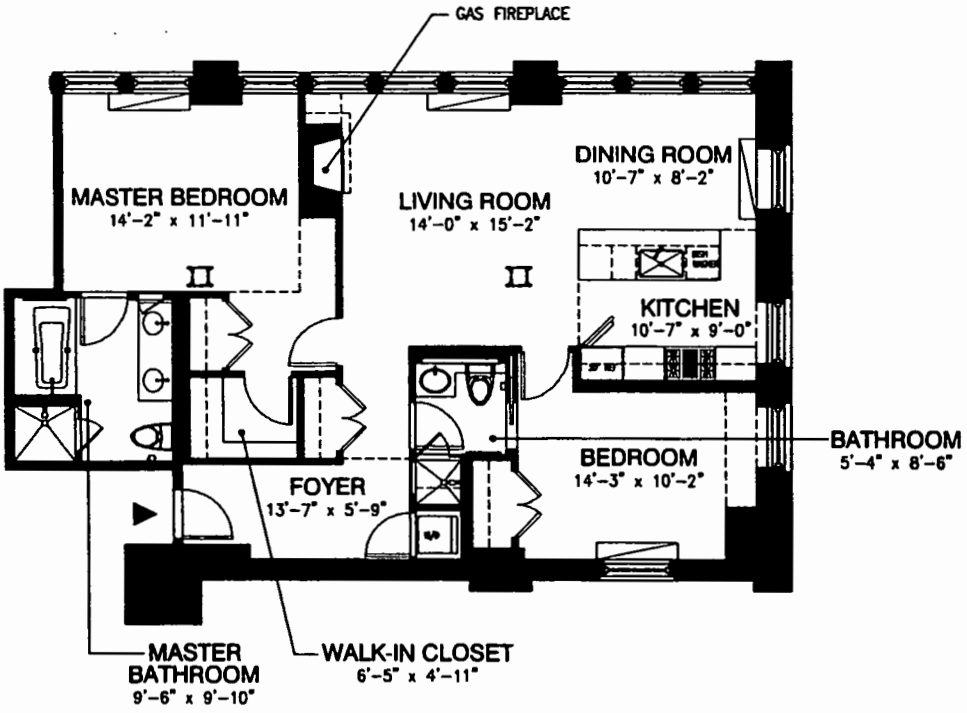
150 NASSAU

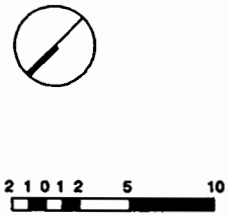
11D
2 BEDROOMS
2 BATHROOMS

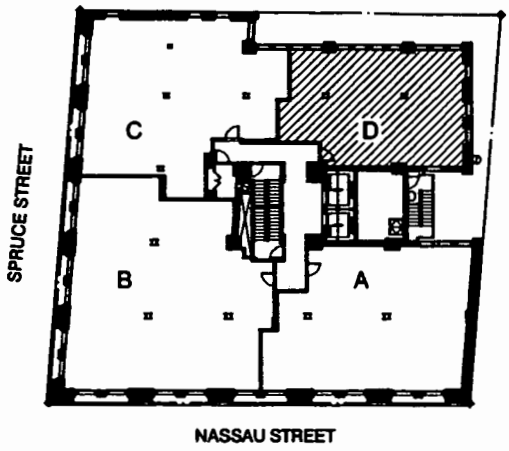
FLOOR NUMBER	APARTMENT AREA
11D	1 307 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

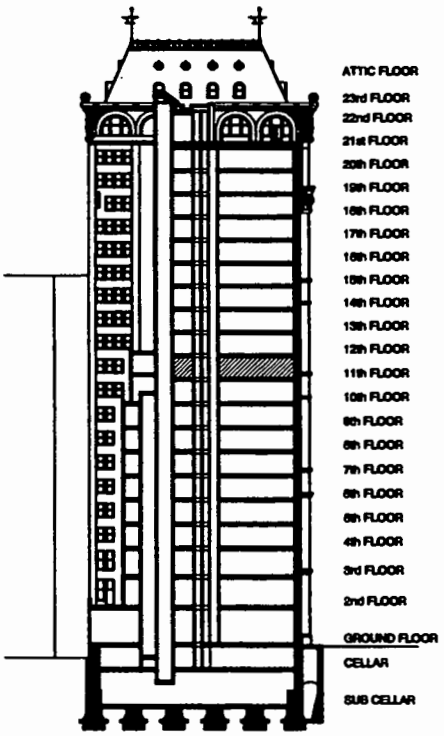
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.







KEY PLAN

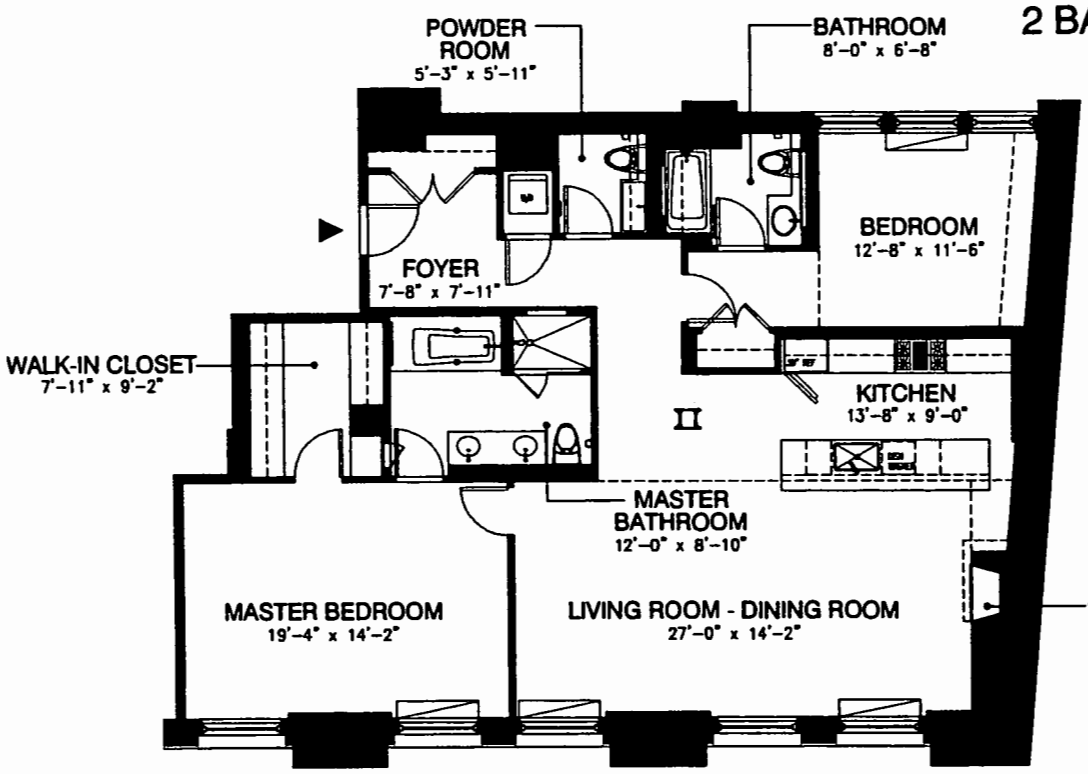


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

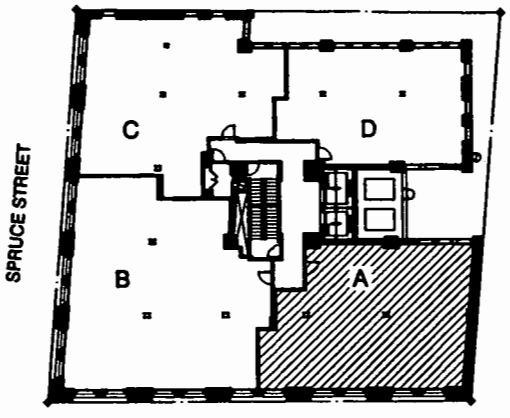
12A
2 BEDROOMS
2 BATHS / 1 POWDER



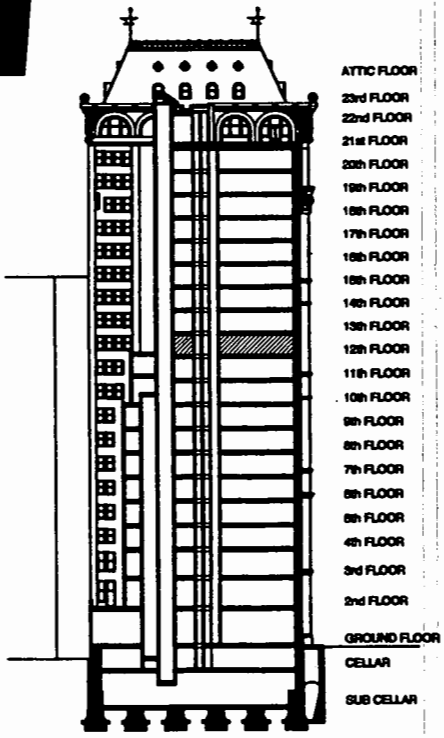
FLOOR NUMBER	APARTMENT AREA
12A	1 792 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

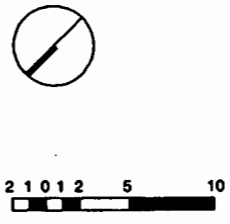
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

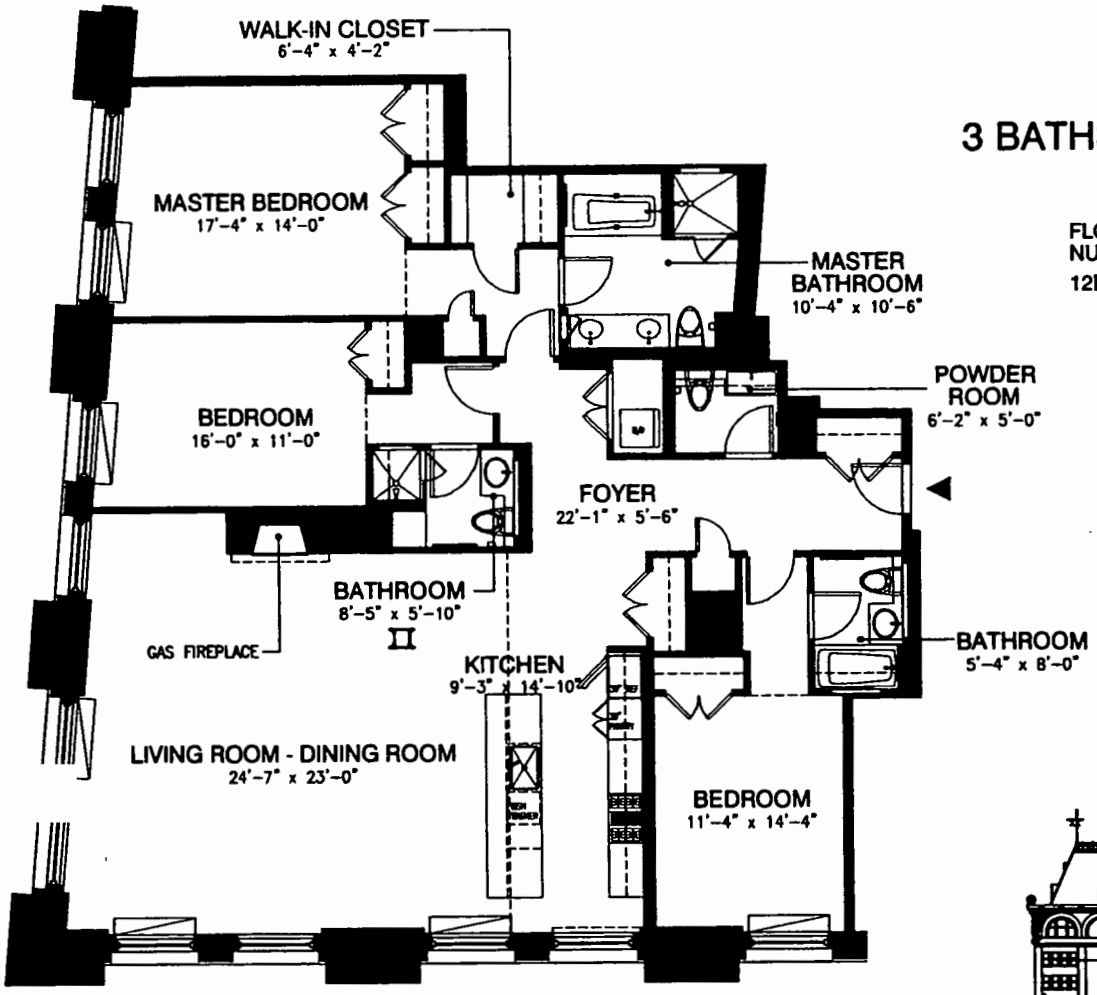


VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

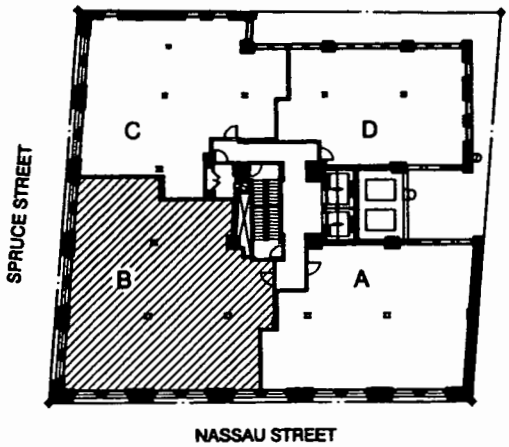


12B
3 BEDROOMS
3 BATHS / 1 POWDER

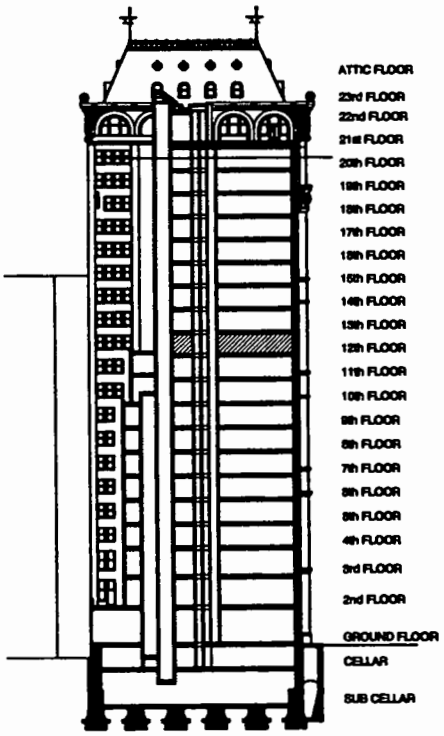
FLOOR NUMBER	APARTMENT AREA
12B	2 353 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

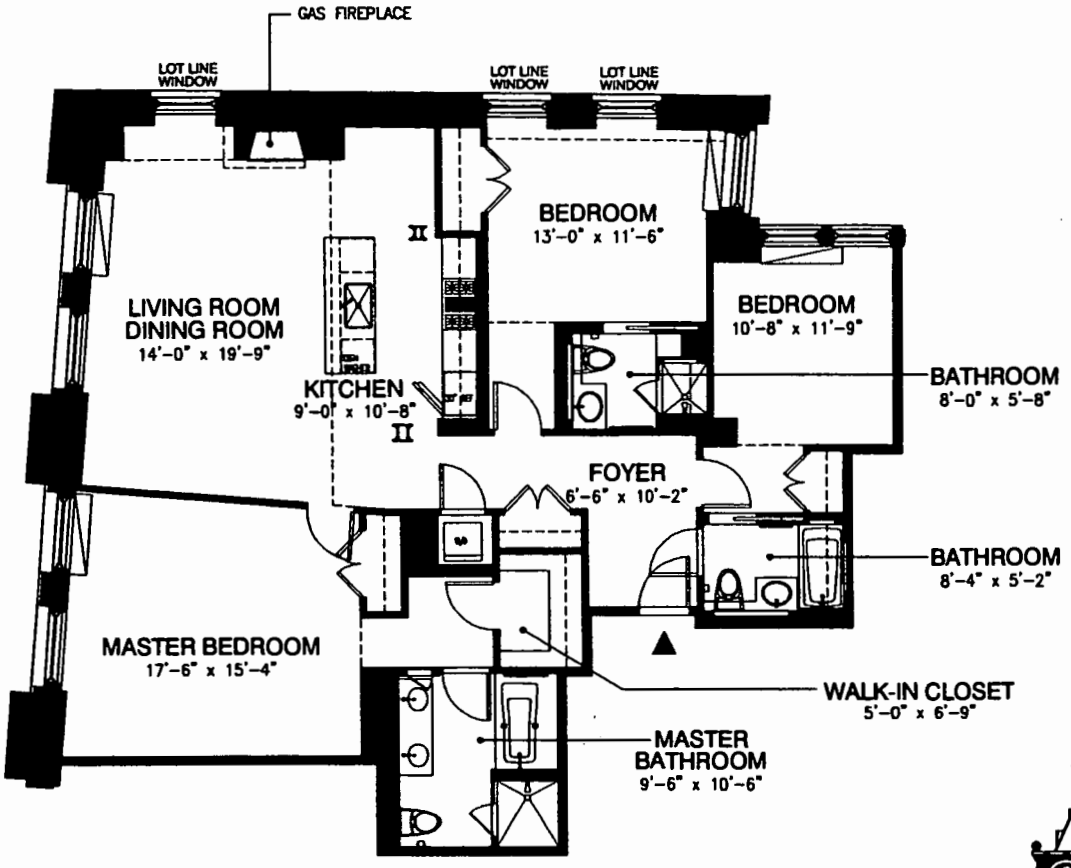


VERTICAL SECTION

2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

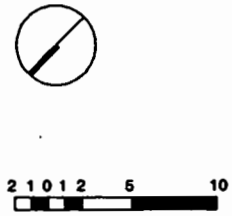


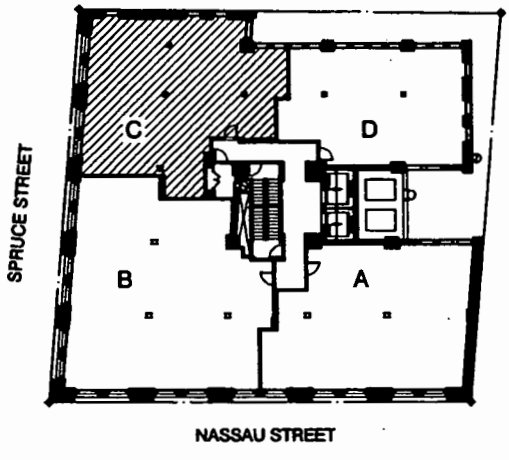
12C
3 BEDROOMS
3 BATHROOMS

FLOOR NUMBER	APARTMENT AREA
12C	1 793 SQ.FT.

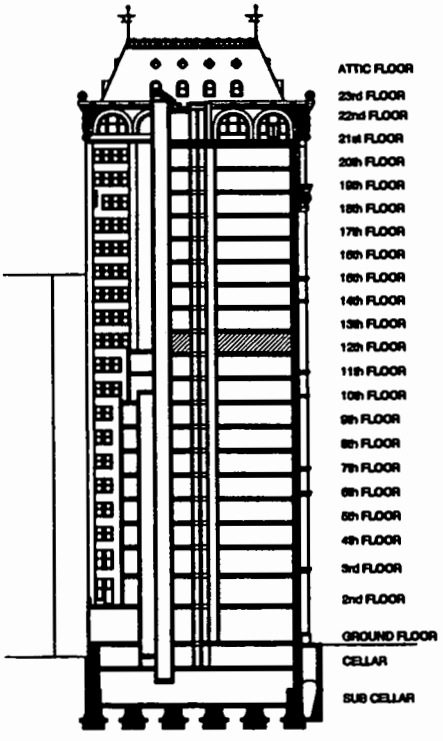
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

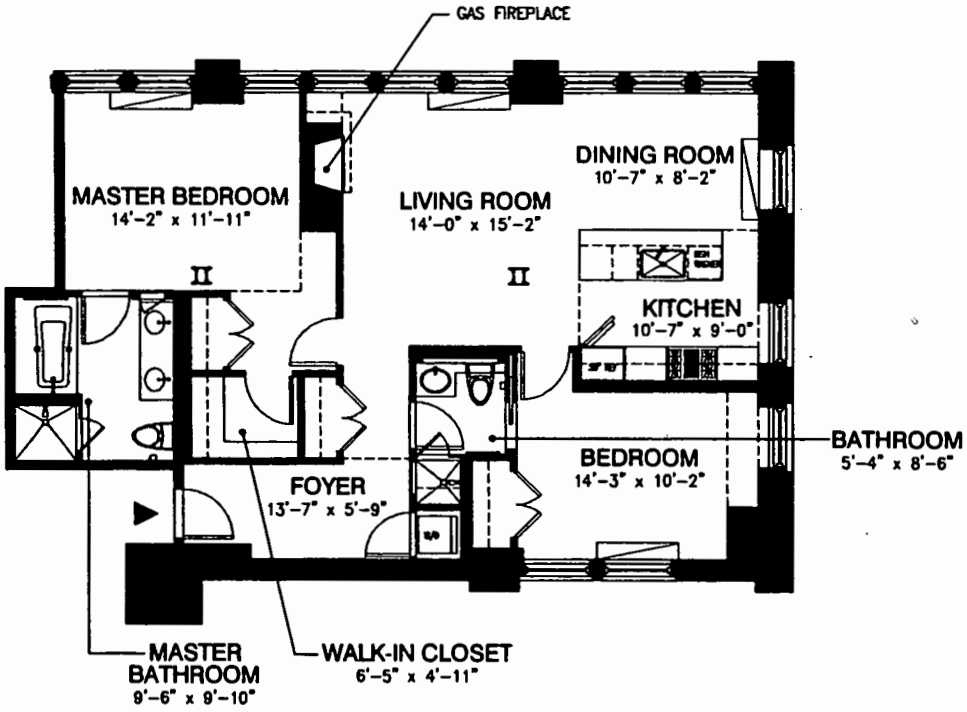
150 NASSAU

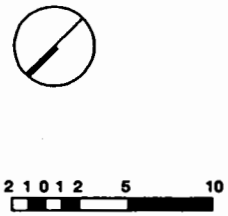
12D
2 BEDROOMS
2 BATHROOMS

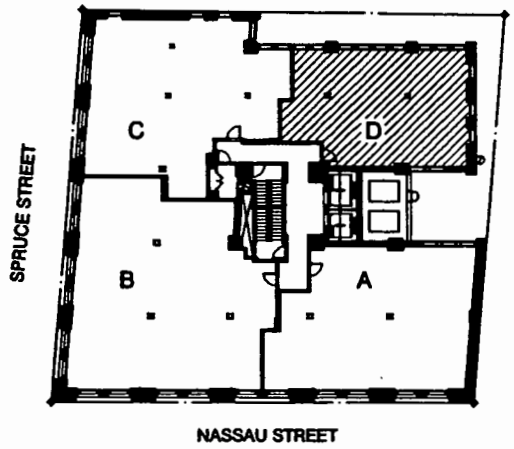
FLOOR NUMBER	APARTMENT AREA
12D	1 306 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

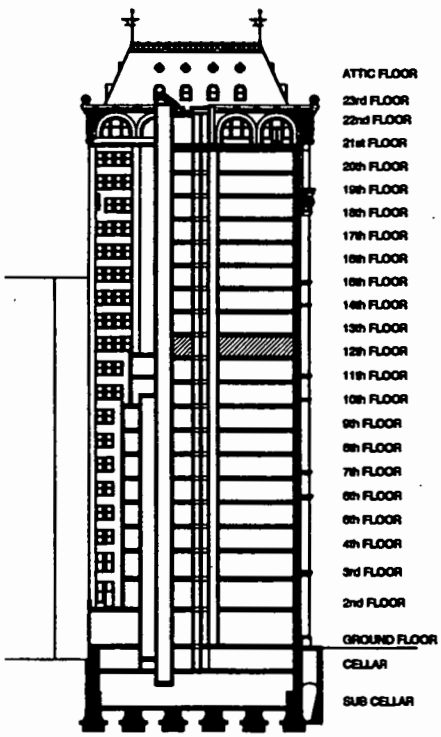
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.







KEY PLAN

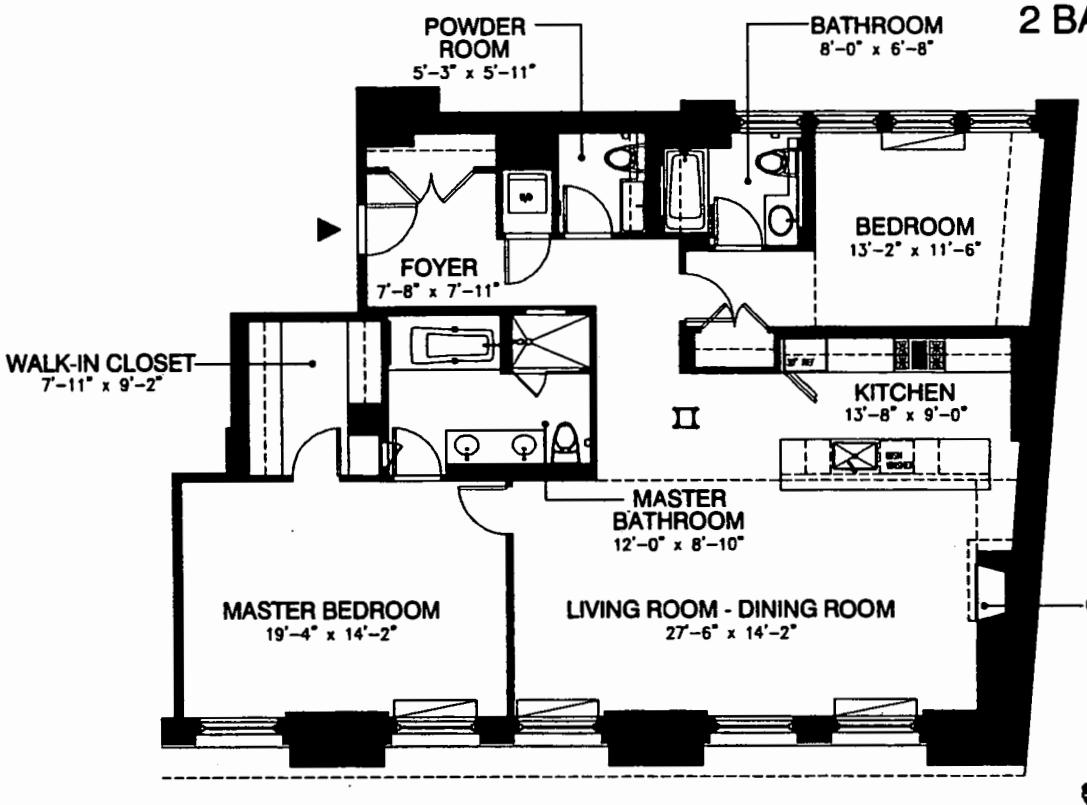


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

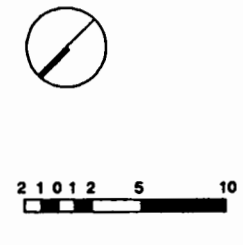
13A
2 BEDROOMS
2 BATHS / 1 POWDER

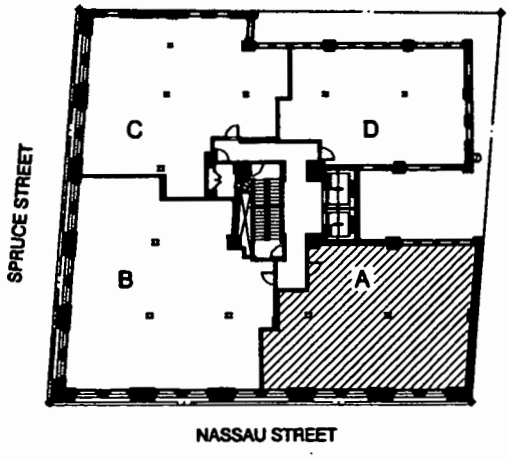


FLOOR NUMBER	APARTMENT AREA
13A	1 792 SQ.FT.

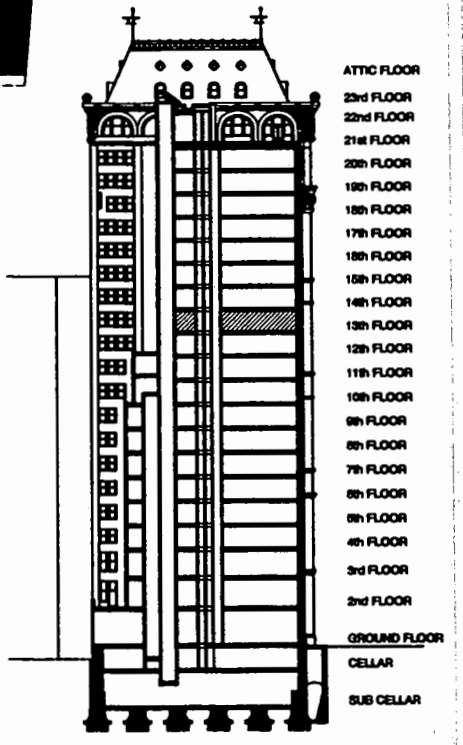
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





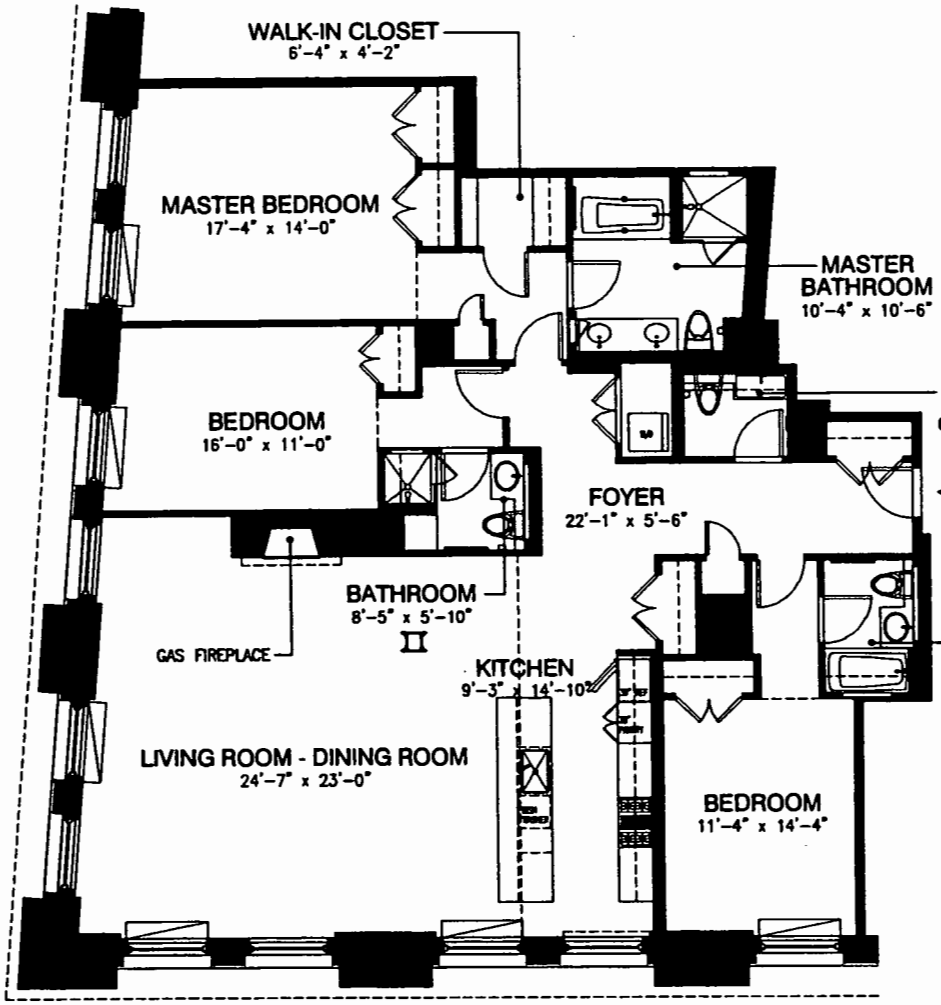
KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

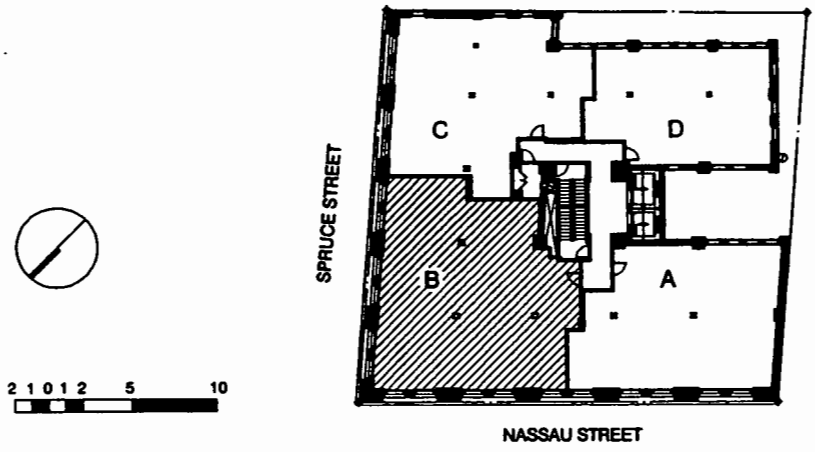


13B
3 BEDROOMS
3 BATHS / 1 POWDER

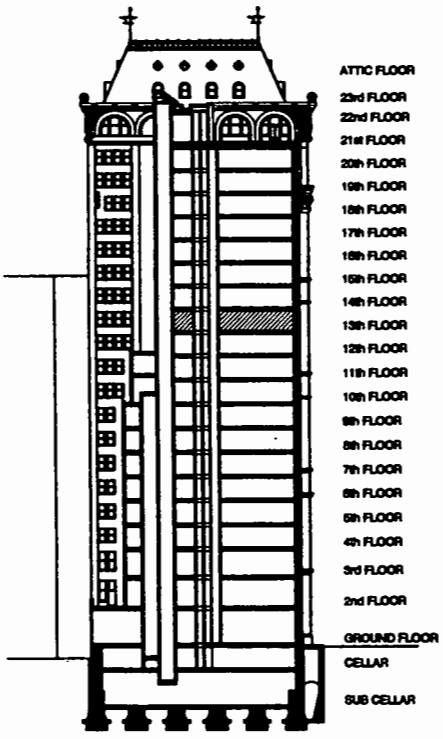
FLOOR NUMBER	APARTMENT AREA
13B	2 353 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



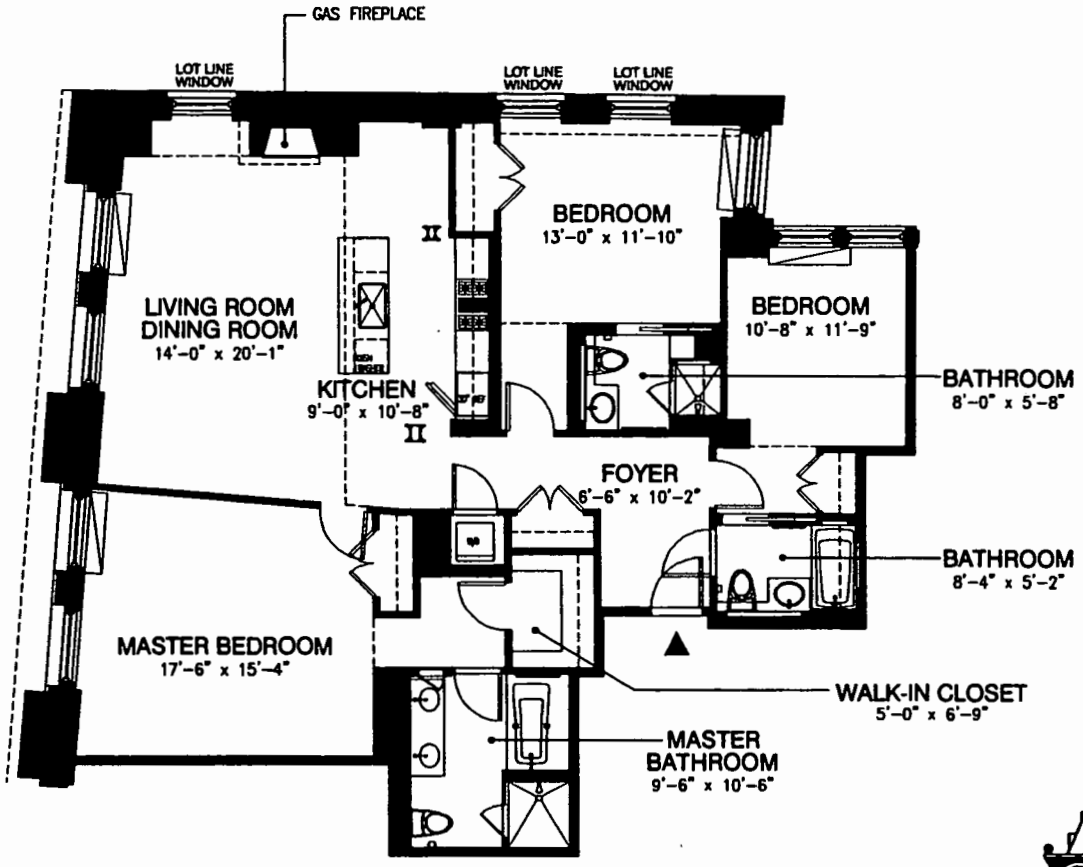
KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU



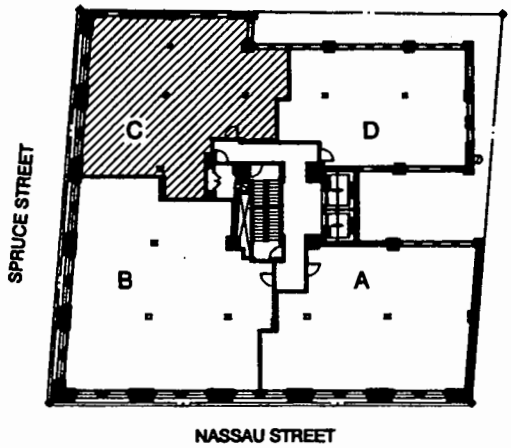
13C
3 BEDROOMS
3 BATHROOMS

FLOOR NUMBER	APARTMENT AREA
13C	1 793 SQ.FT.

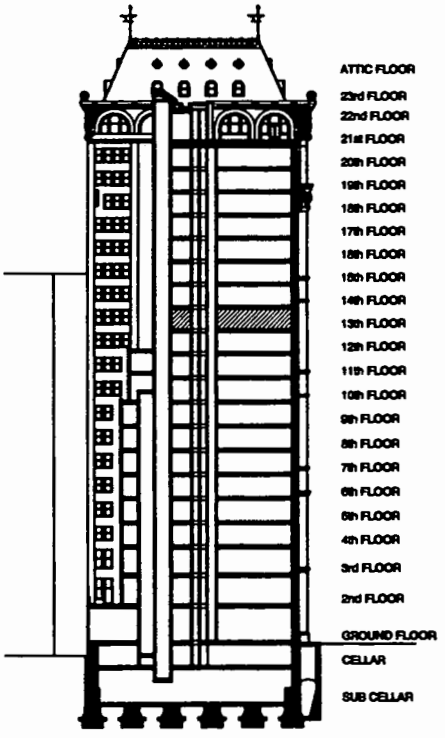
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

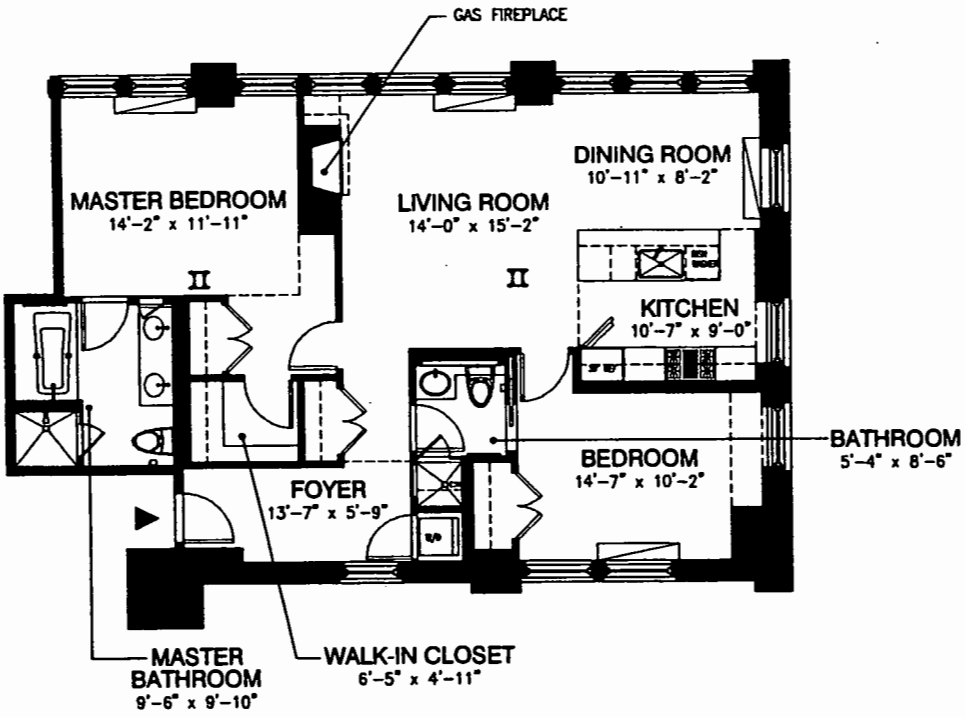
150 NASSAU

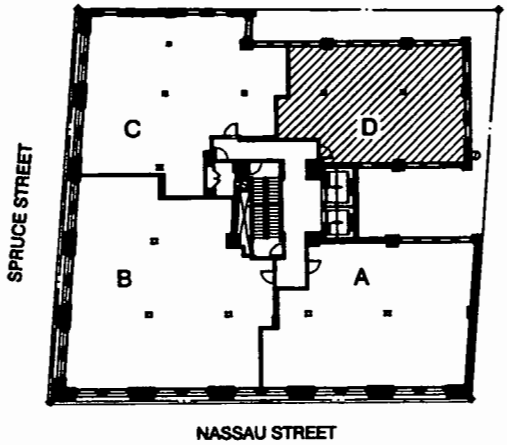
13D
2 BEDROOMS
2 BATHROOMS

FLOOR NUMBER	APARTMENT AREA
13D	1 305 SQ.FT.

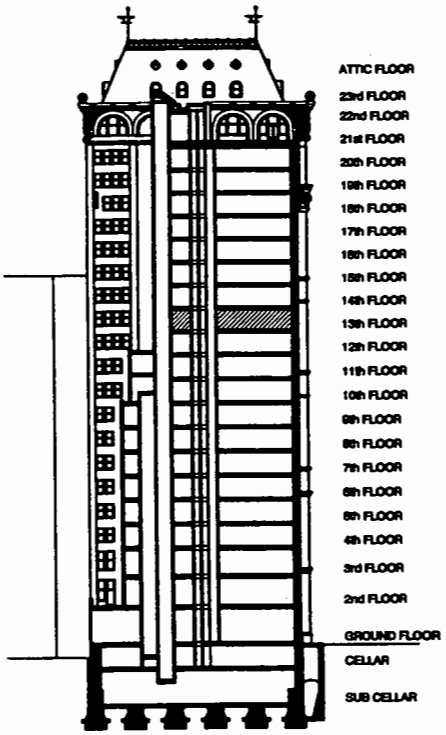
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.

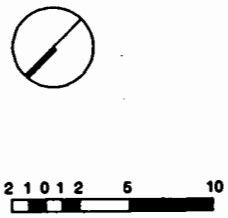




KEY PLAN



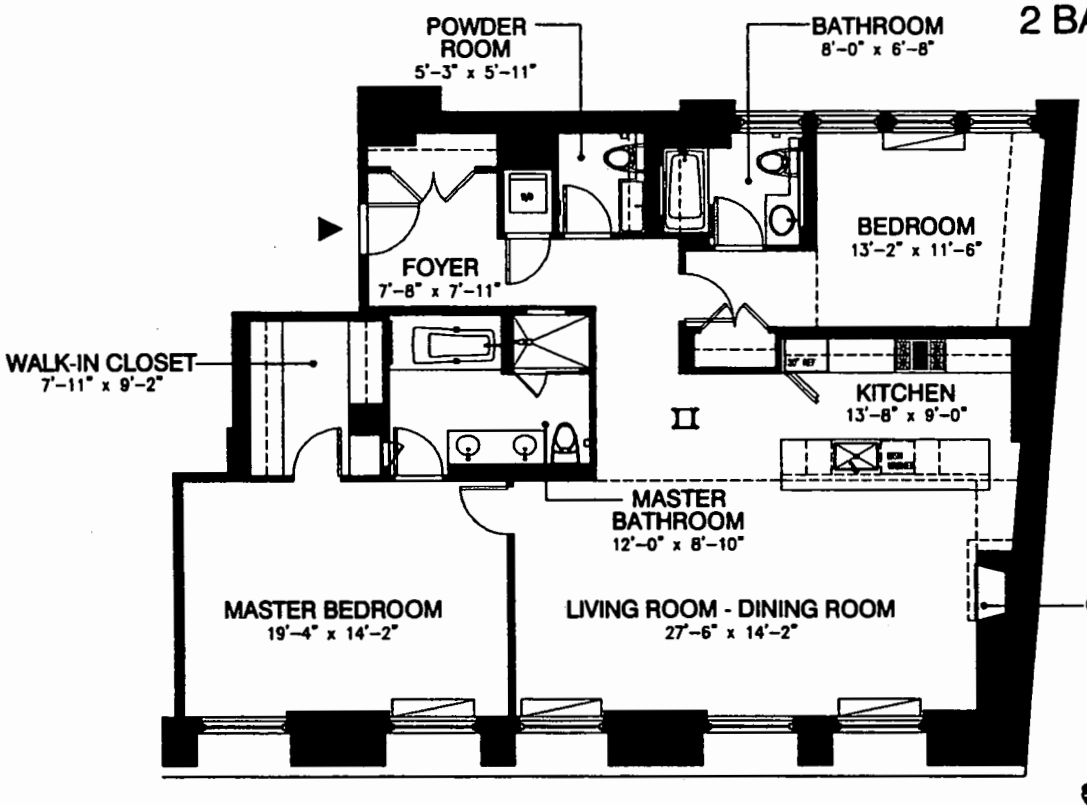
VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

14A
2 BEDROOMS
2 BATHS / 1 POWDER

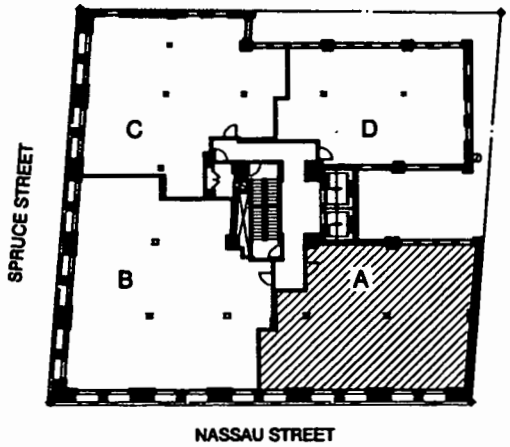


FLOOR NUMBER	APARTMENT AREA
14A	1 797 SQ.FT.

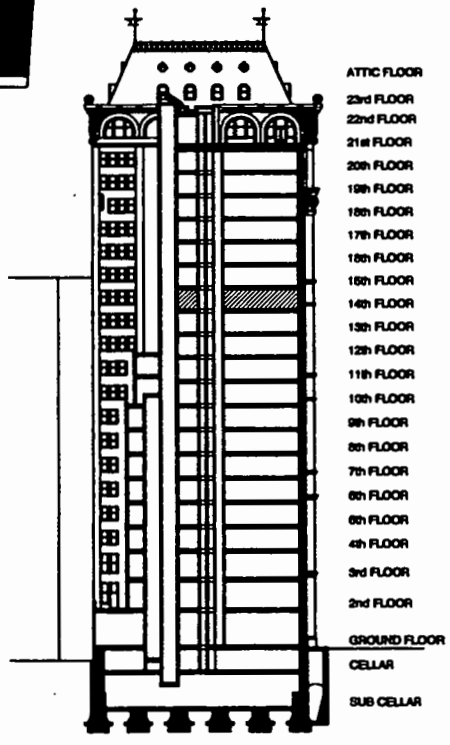
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





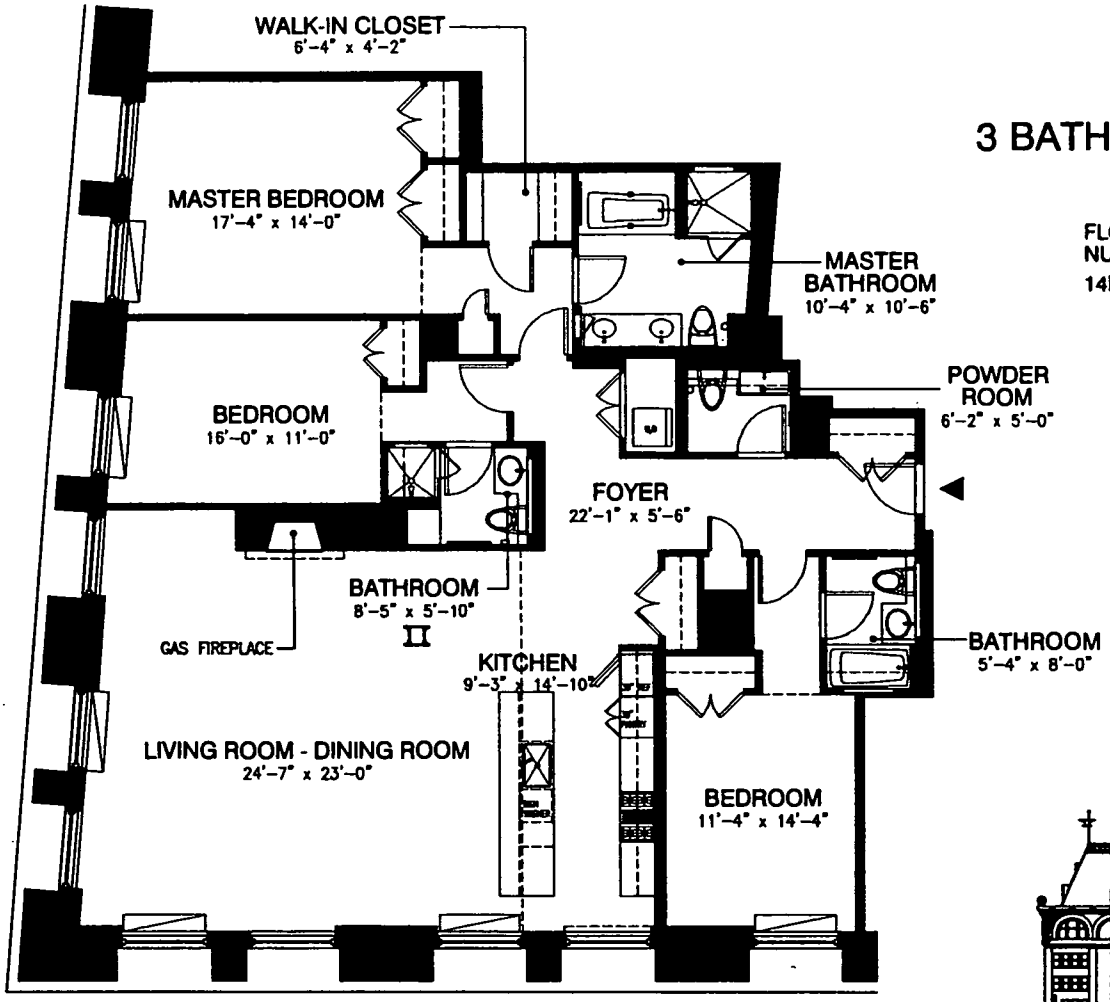
KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

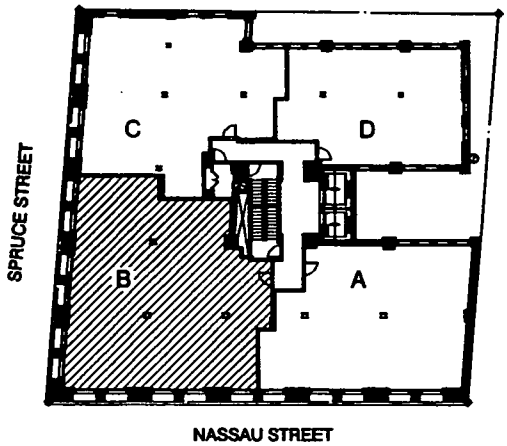


14B
3 BEDROOMS
3 BATHS / 1 POWDER

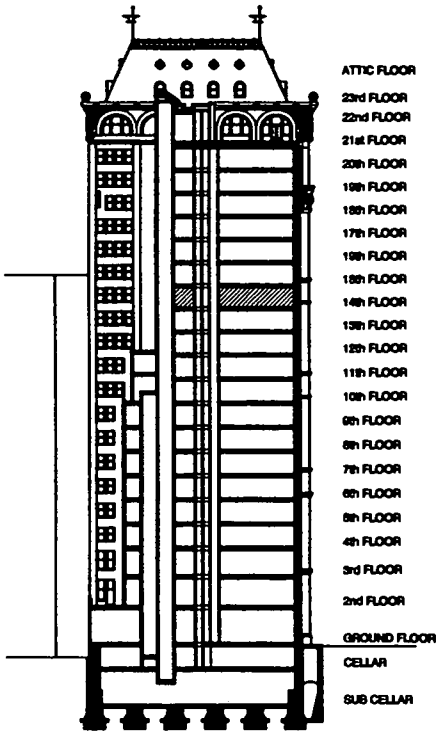
FLOOR NUMBER	APARTMENT AREA
14B	2 365 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

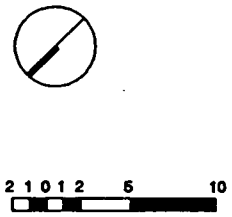
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

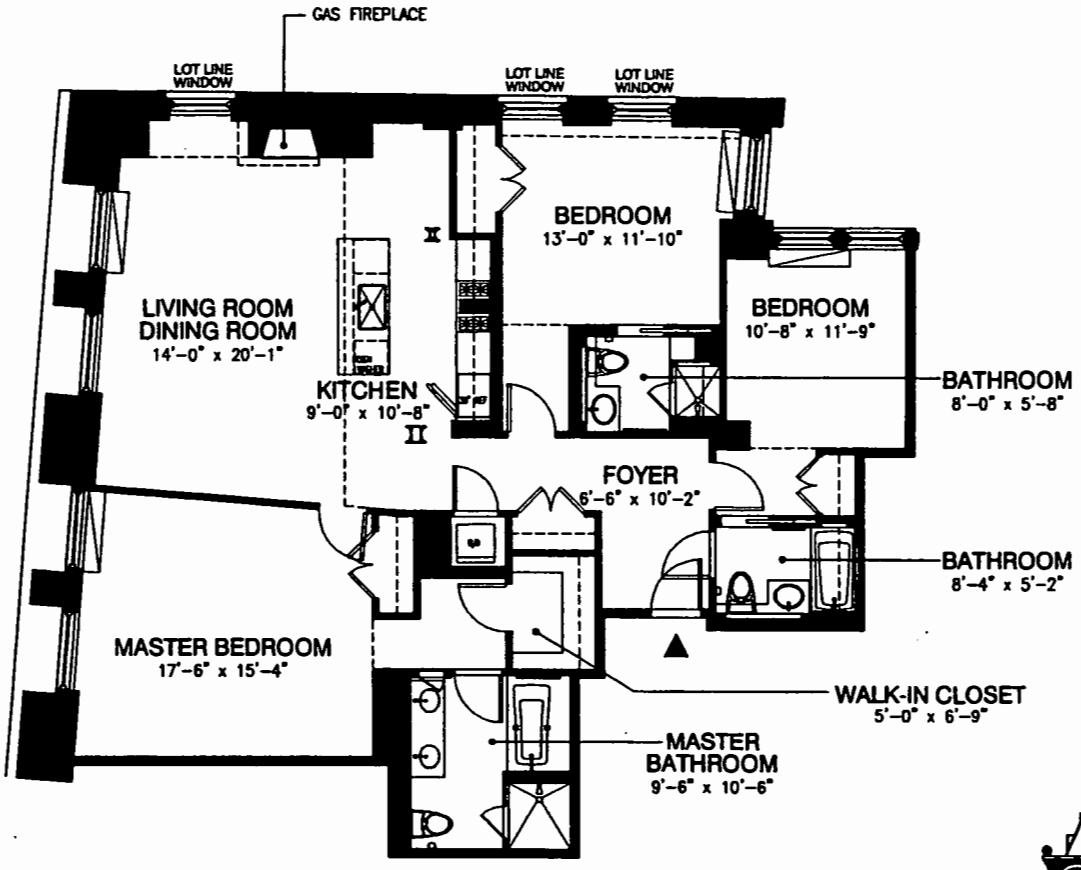


VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

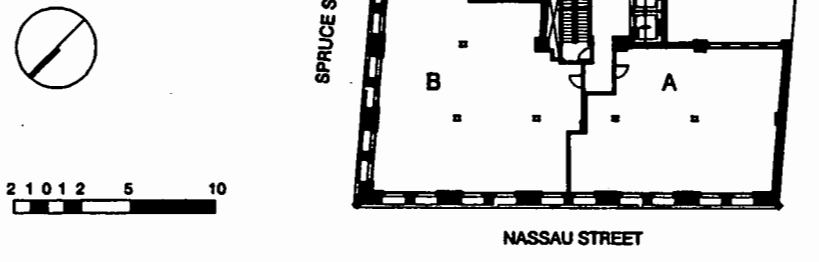


14C
3 BEDROOMS
3 BATHROOMS

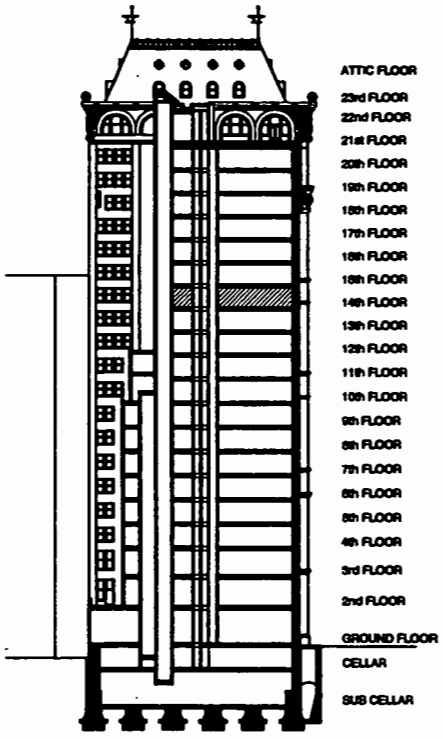
FLOOR NUMBER	APARTMENT AREA
14C	1 798 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

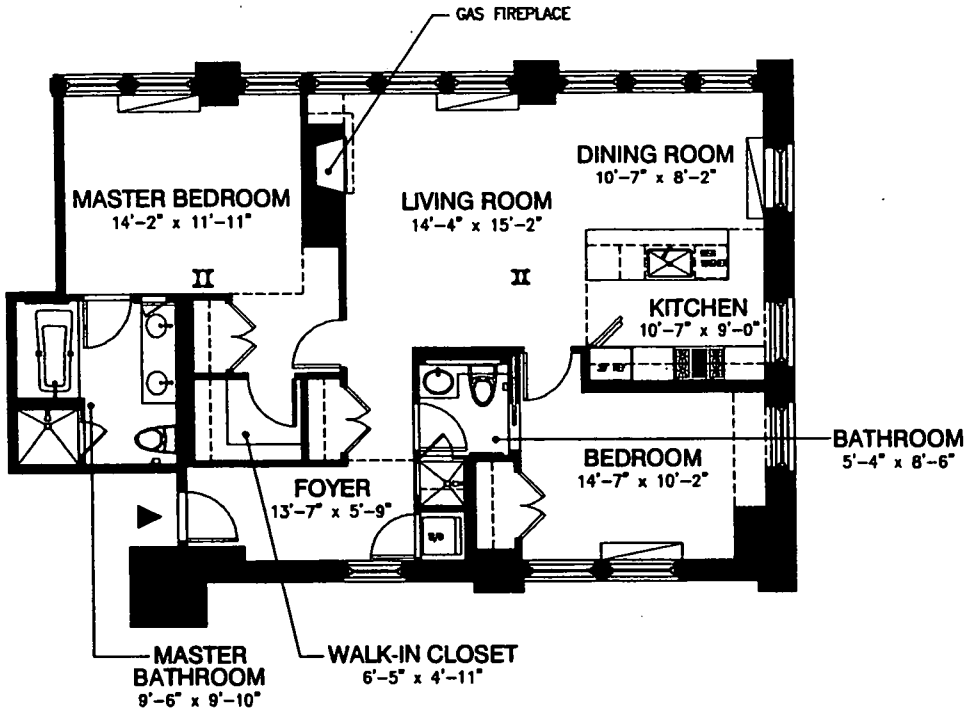
150 NASSAU

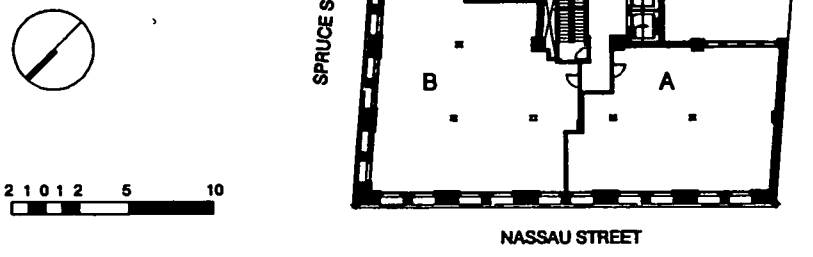
14D
2 BEDROOMS
2 BATHROOMS

FLOOR NUMBER	APARTMENT AREA
14D	1 305 SQ.FT.

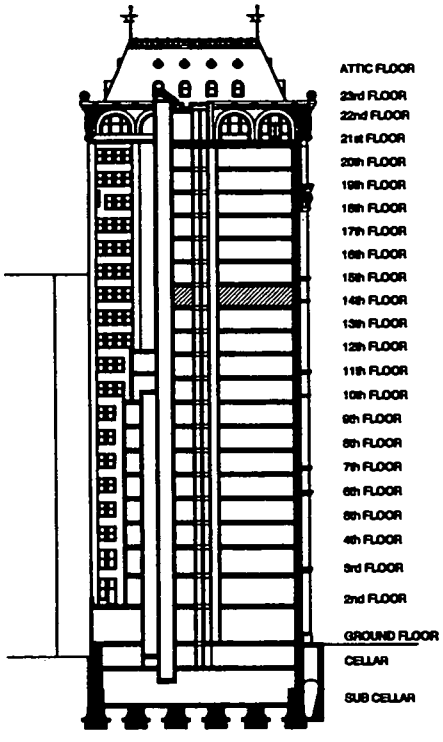
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN

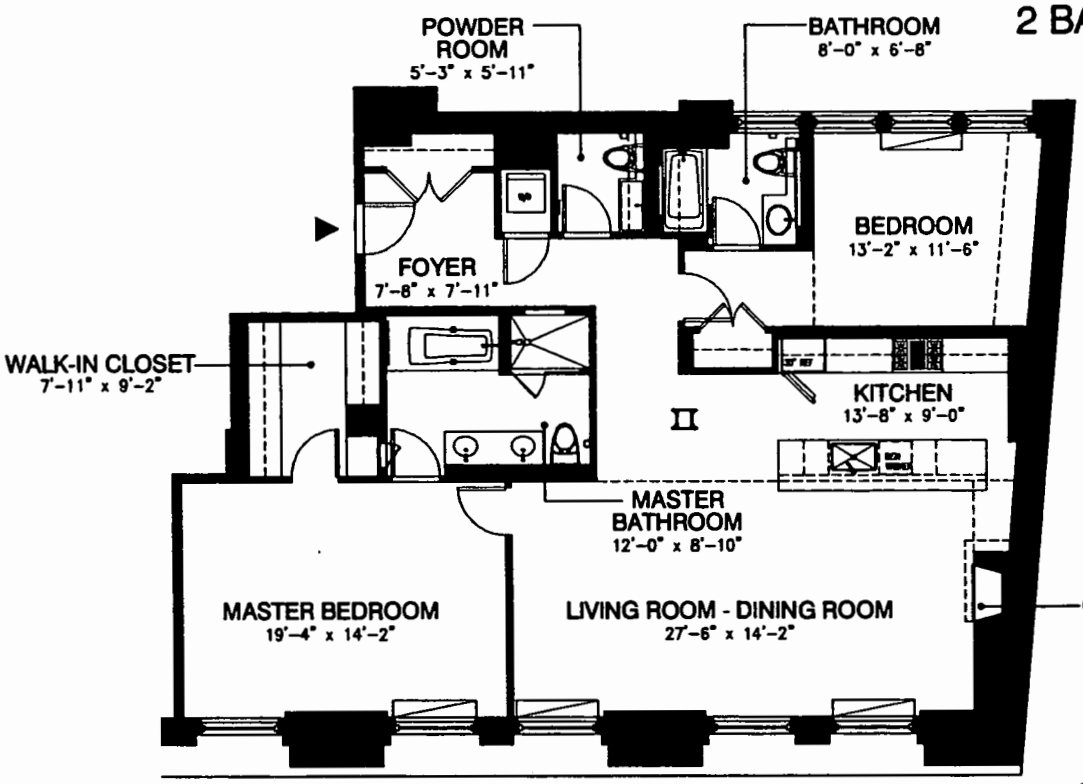


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

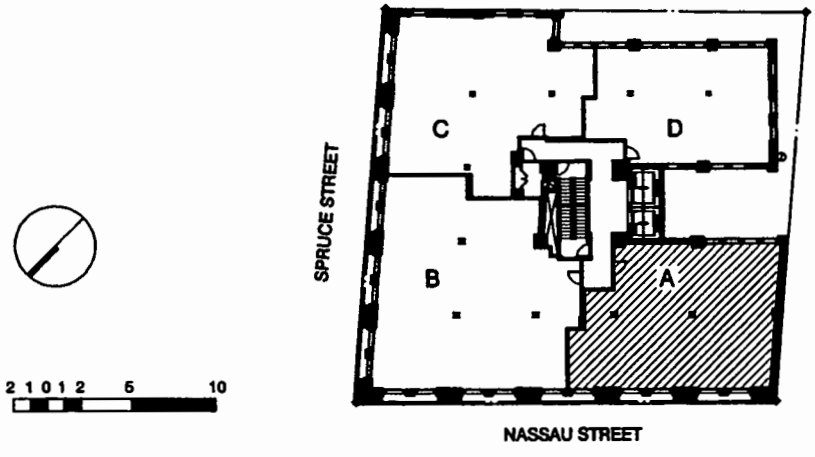
15A
2 BEDROOMS
2 BATHS / 1 POWDER



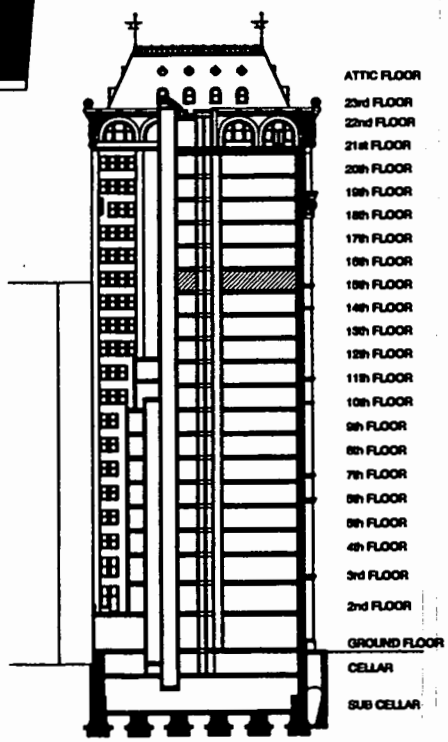
FLOOR NUMBER	APARTMENT AREA
15A	1 792 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



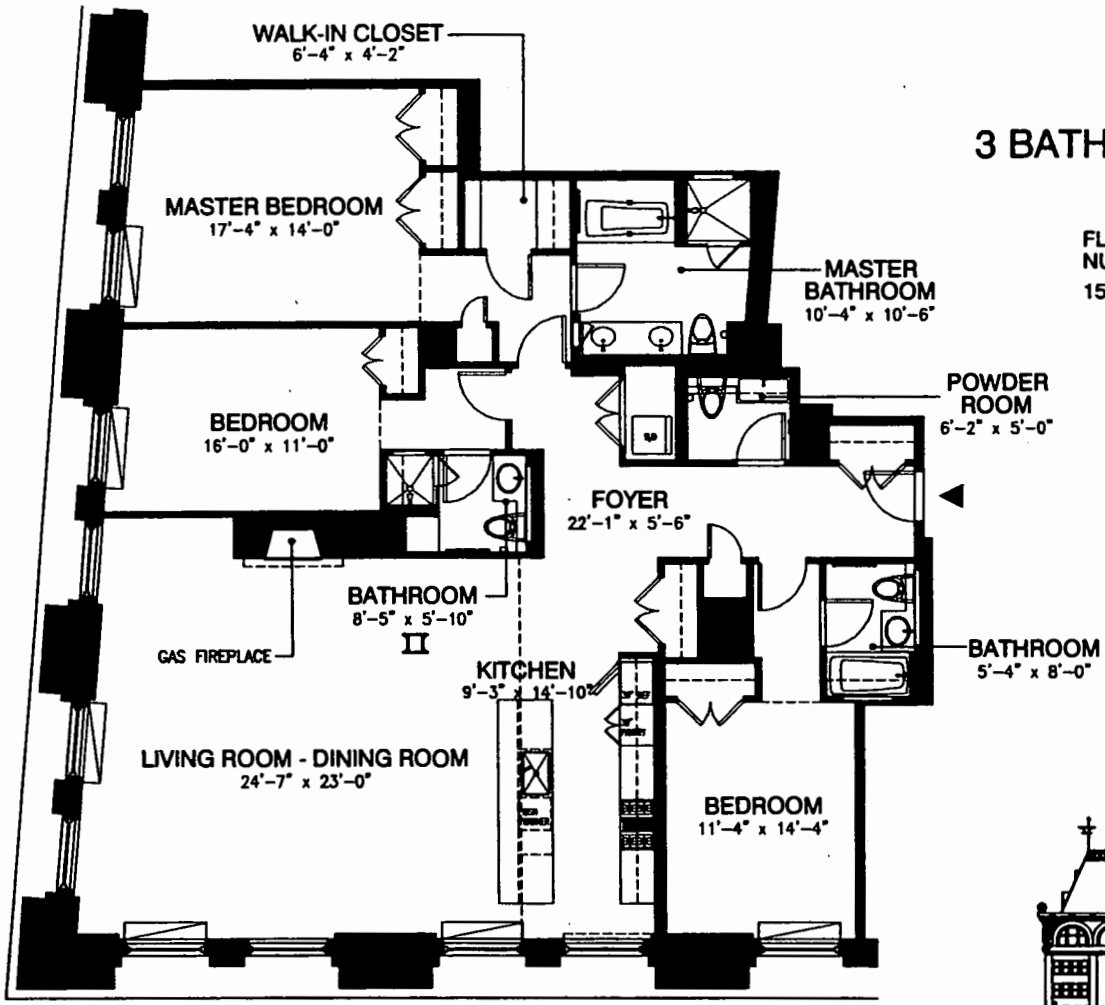
KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

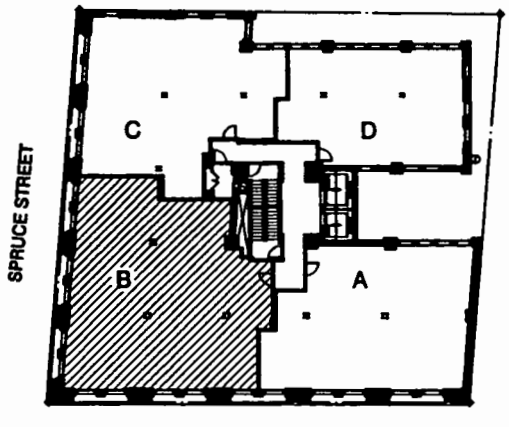


15B
3 BEDROOMS
3 BATHS / 1 POWDER

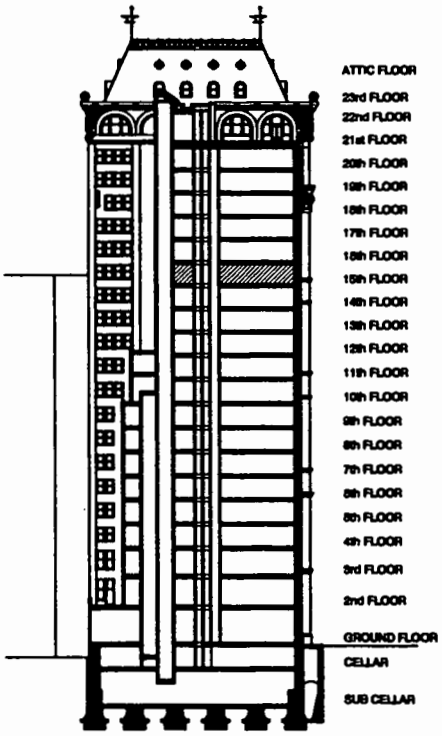
FLOOR NUMBER	APARTMENT AREA
15B	2 353 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

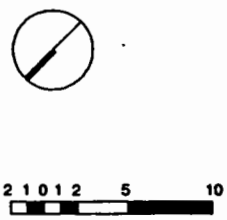
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

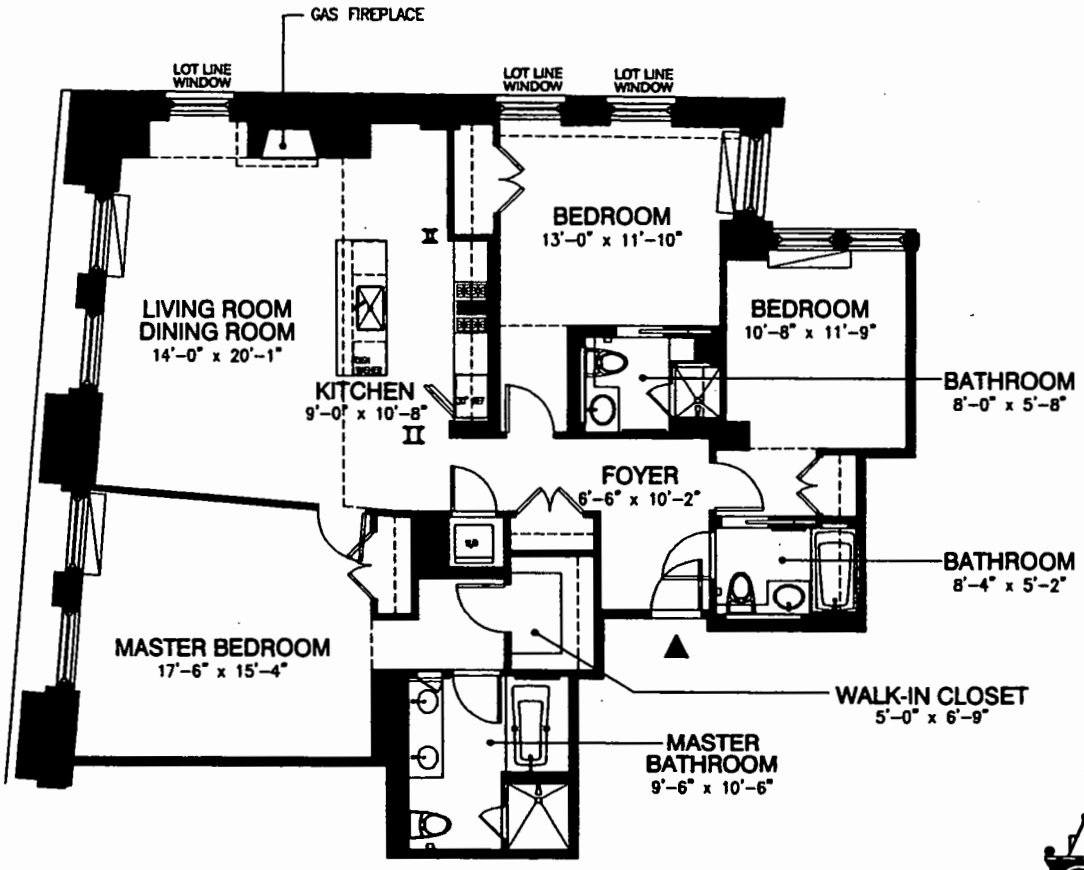


AT CITY HALL PARK

150 NASSAU

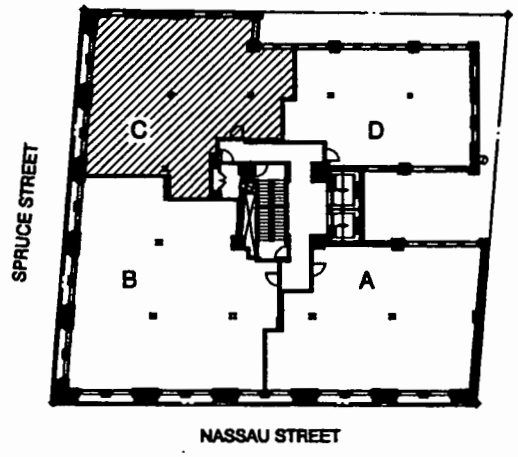
15C
3 BEDROOMS
3 BATHROOMS

FLOOR NUMBER	APARTMENT AREA
15C	1 793 SQ.FT.

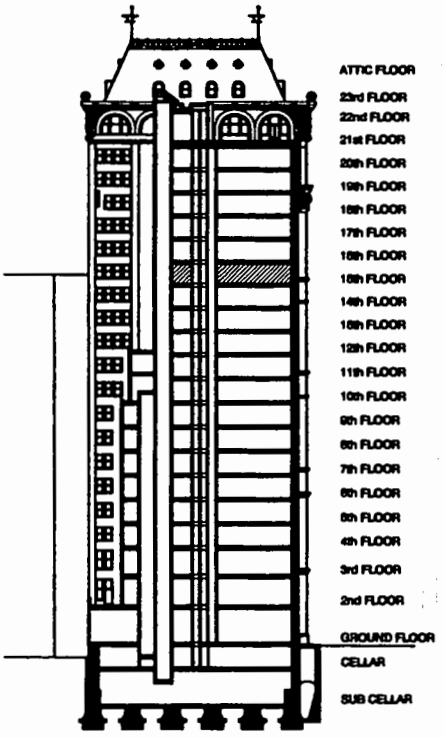


All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

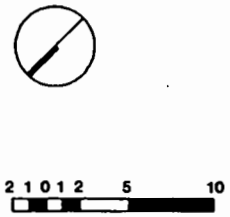
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION



AT CITY HALL PARK

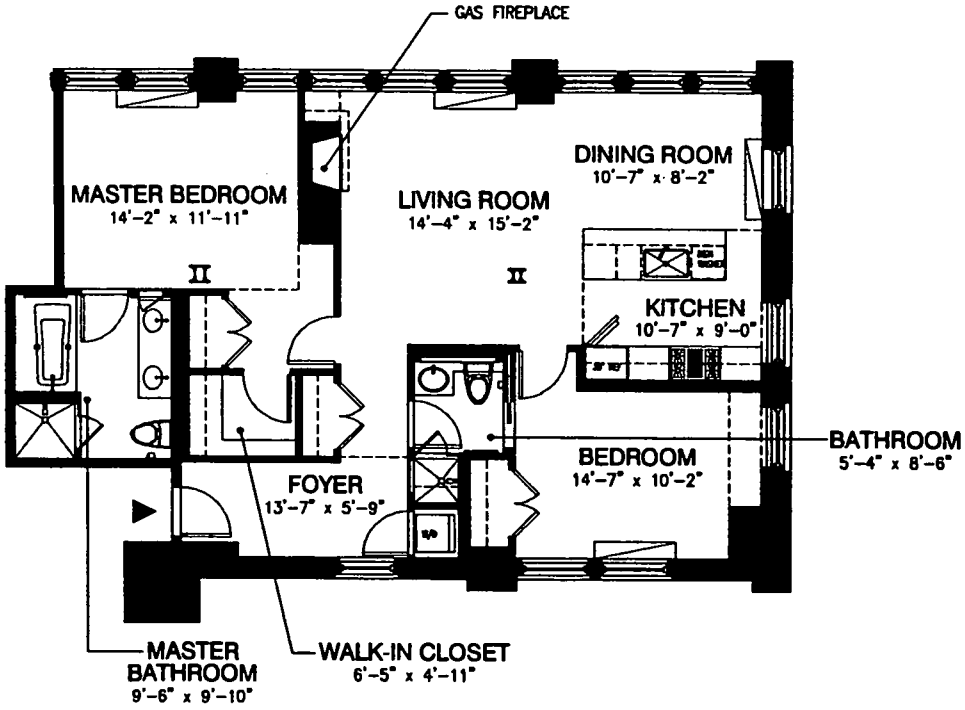
150 NASSAU

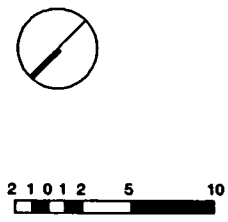
15D
2 BEDROOMS
2 BATHROOMS

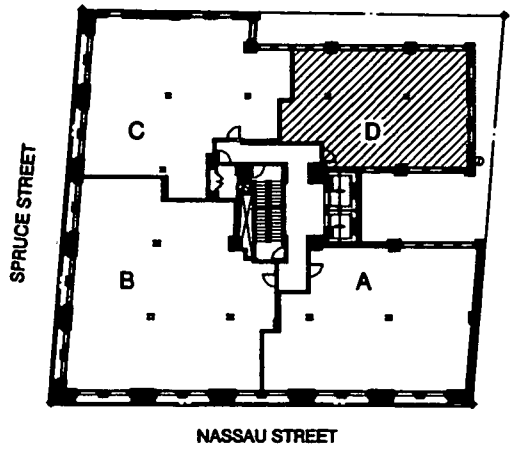
FLOOR NUMBER	APARTMENT AREA
15D	1 305 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

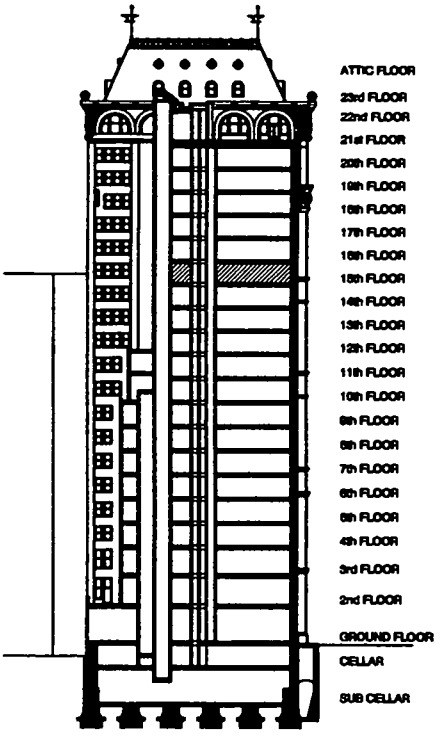
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.







KEY PLAN

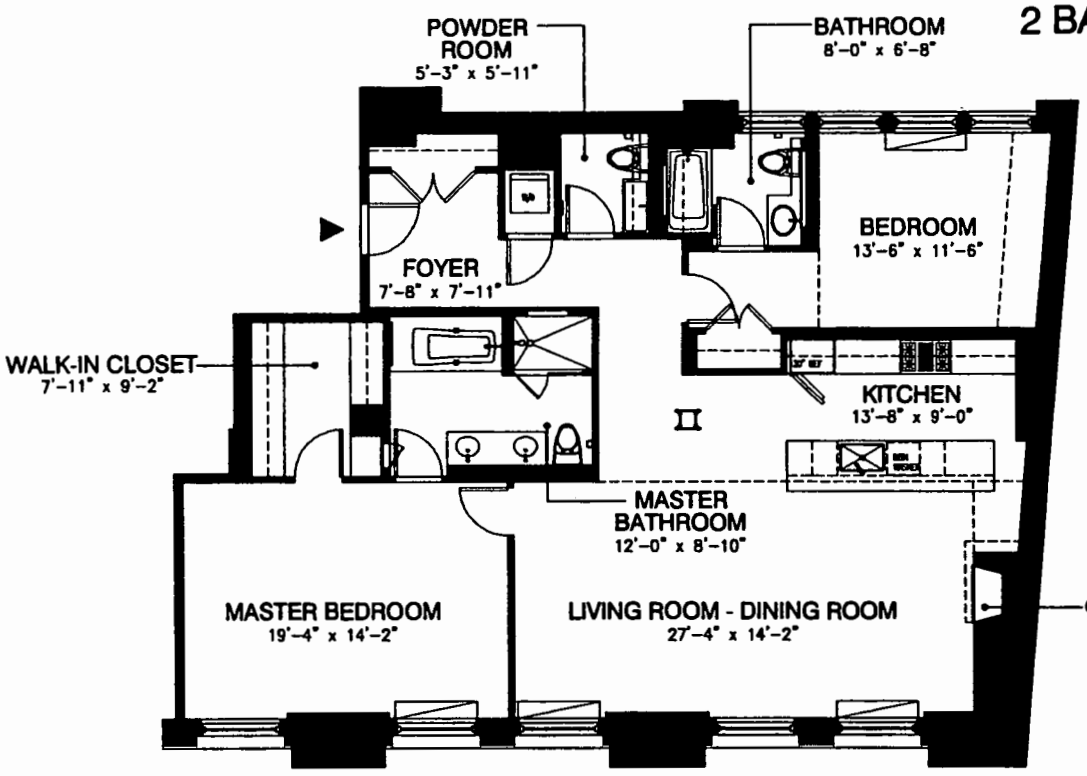


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

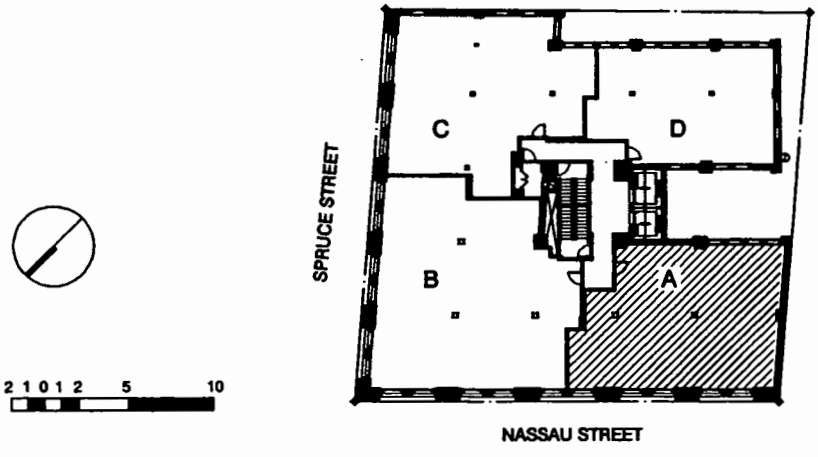
16A
2 BEDROOMS
2 BATHS / 1 POWDER



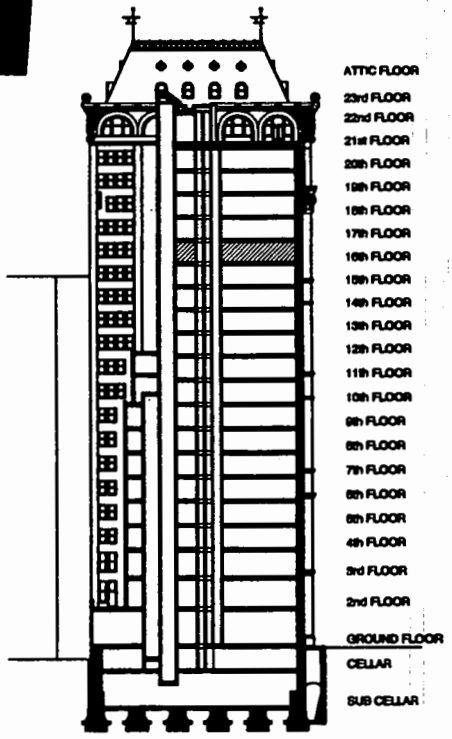
FLOOR NUMBER	APARTMENT AREA
16A	1 792 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



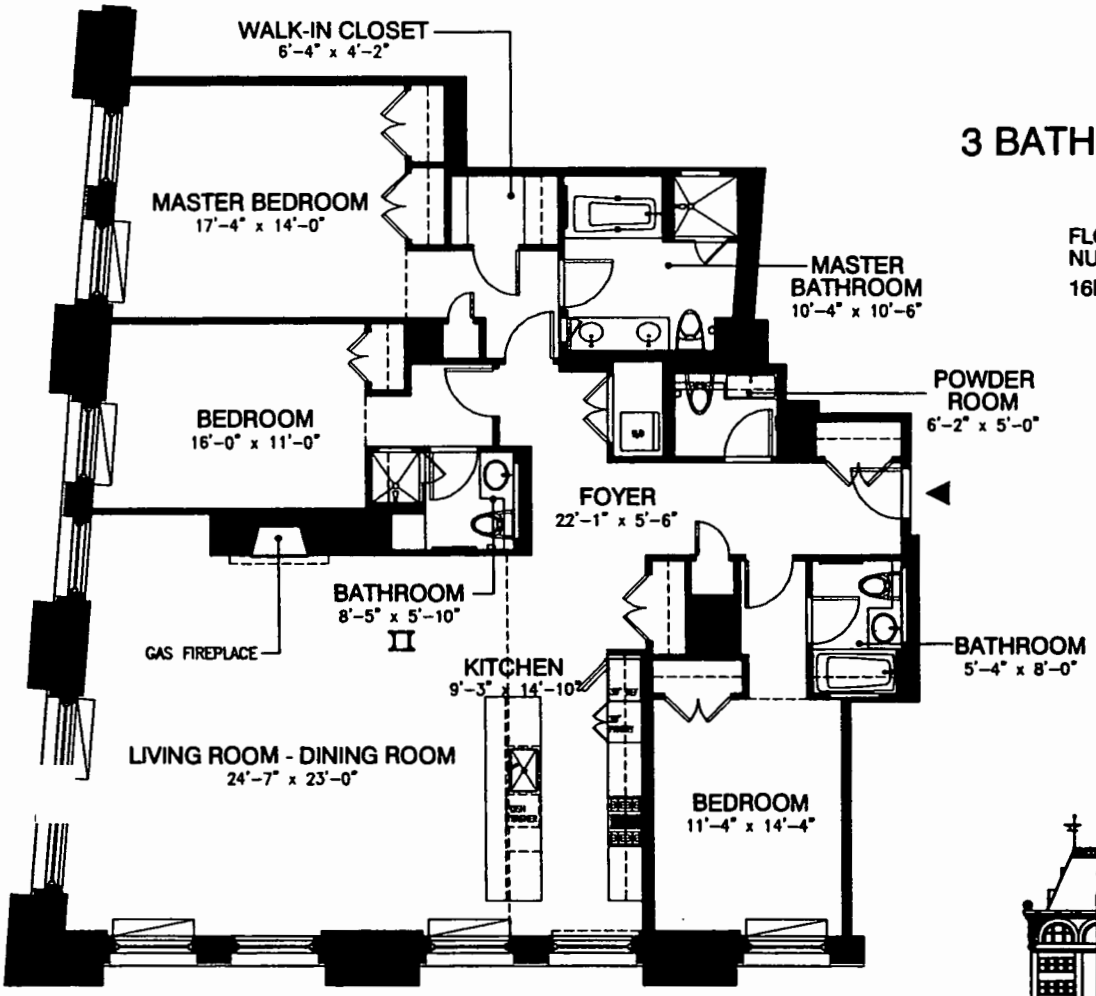
KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

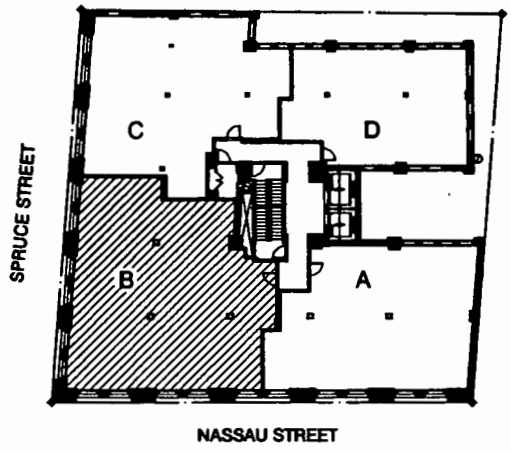


16B
3 BEDROOMS
3 BATHS / 1 POWDER

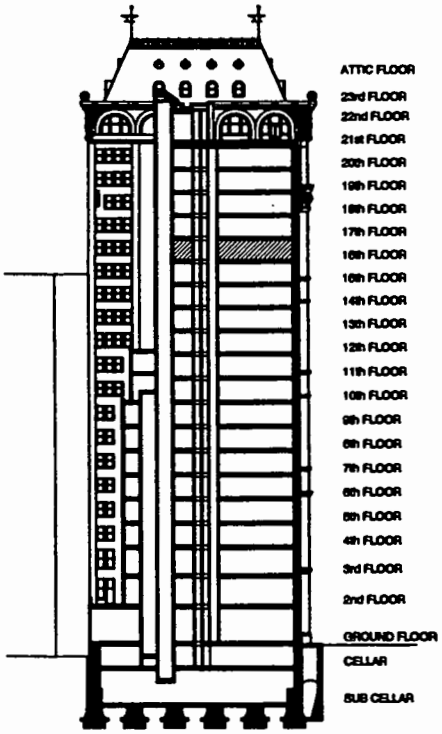
FLOOR NUMBER	APARTMENT AREA
16B	2 353 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

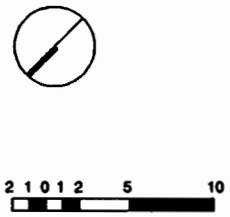
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

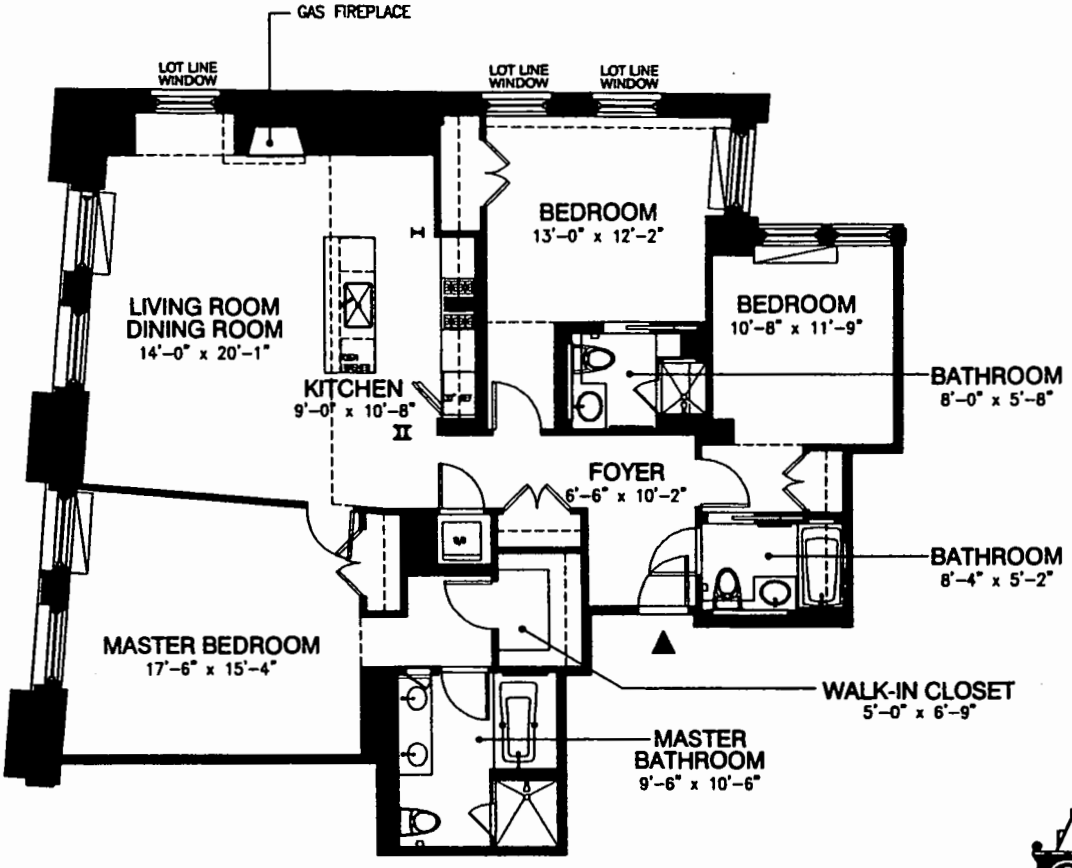


AT CITY HALL PARK

150 NASSAU

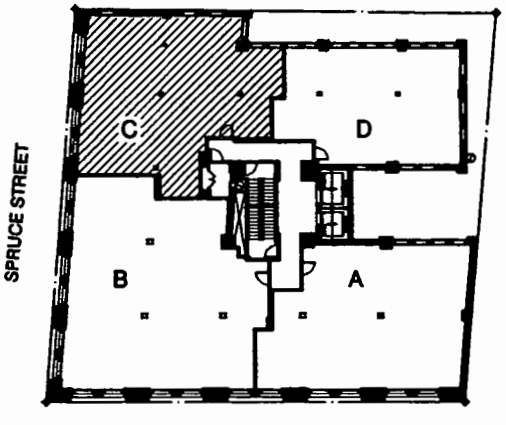
16C
3 BEDROOMS
3 BATHROOMS

FLOOR NUMBER	APARTMENT AREA
16C	1 793 SQ.FT.

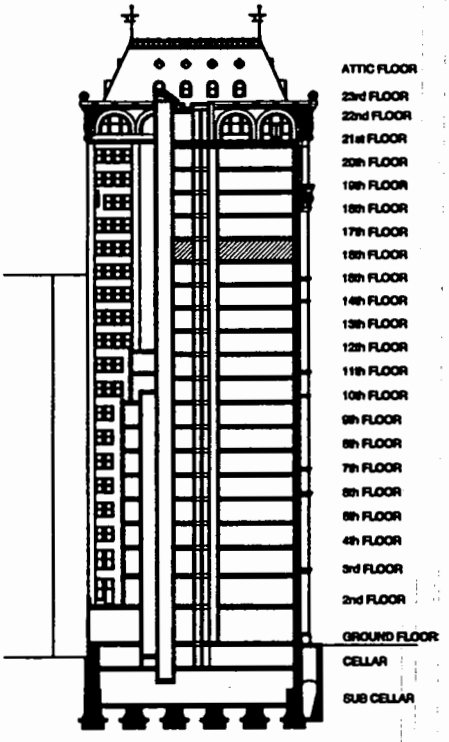


All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

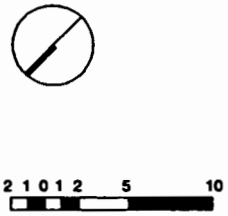
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION



AT CITY HALL PARK

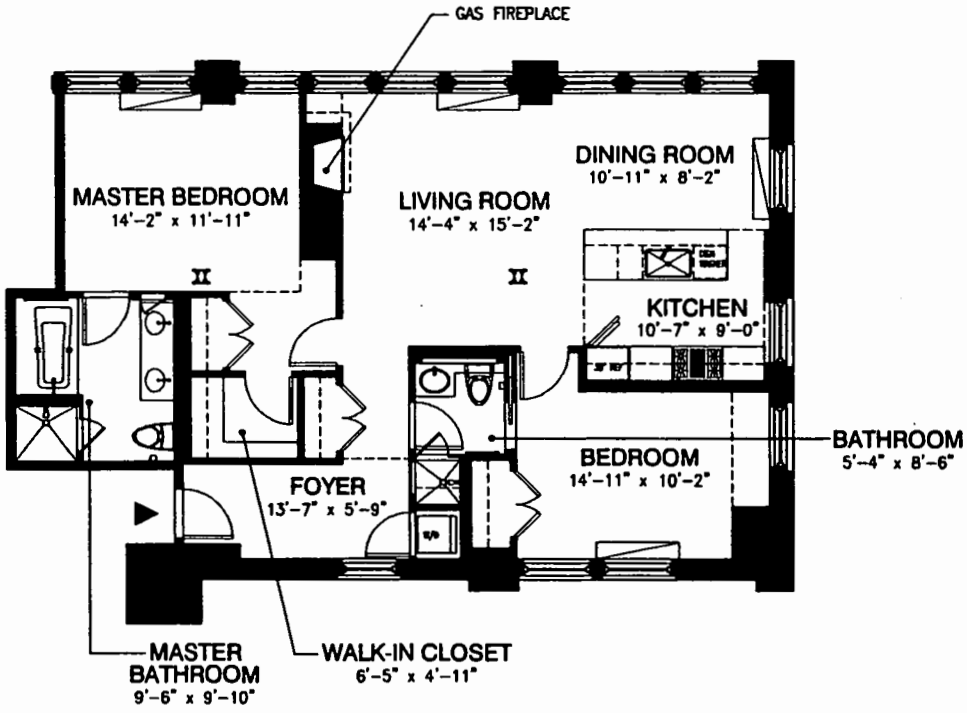
150 NASSAU

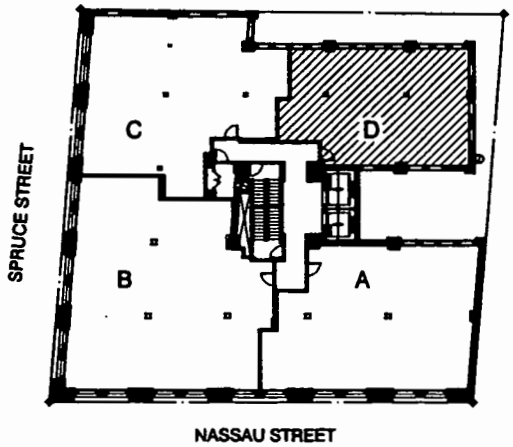
16D
2 BEDROOMS
2 BATHROOMS

FLOOR NUMBER	APARTMENT AREA
16D	1 305 SQ.FT.

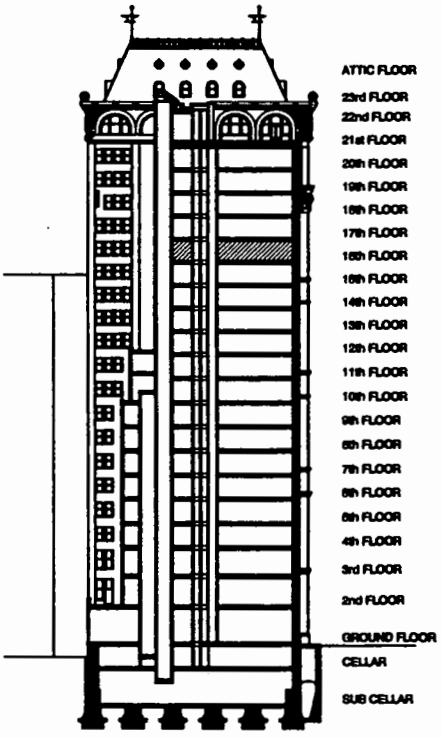
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.

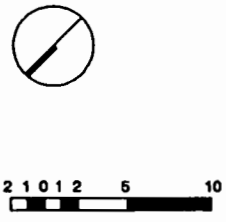




KEY PLAN



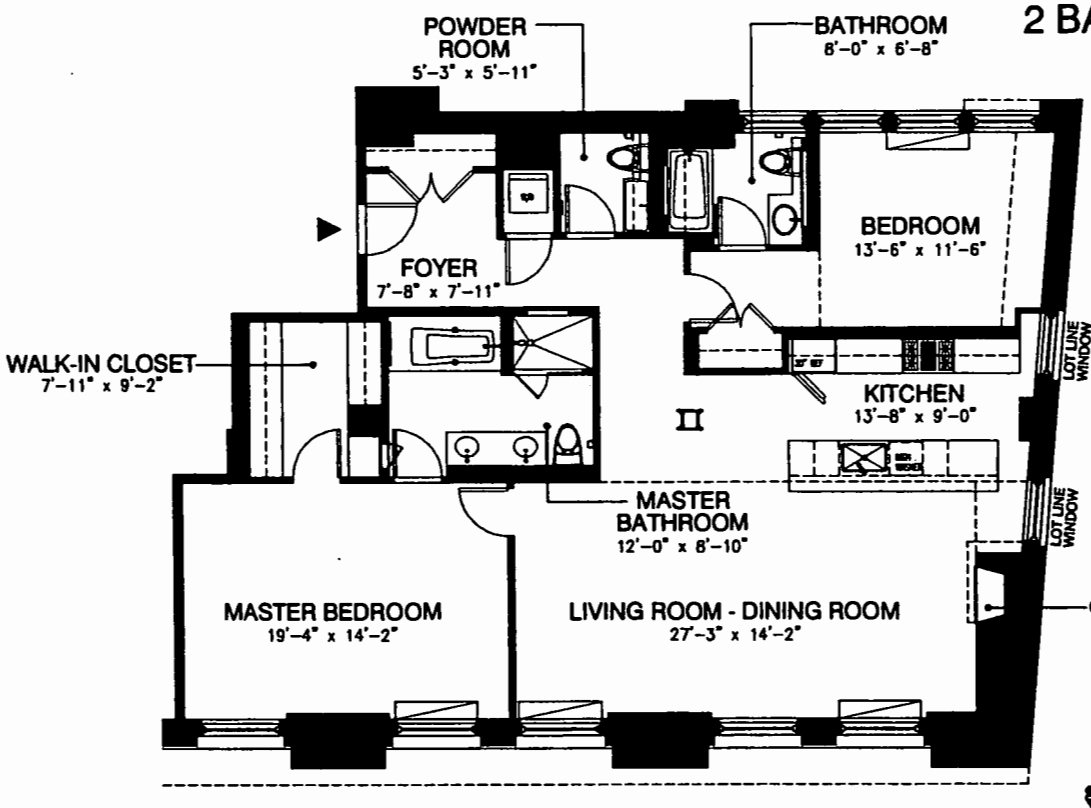
VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

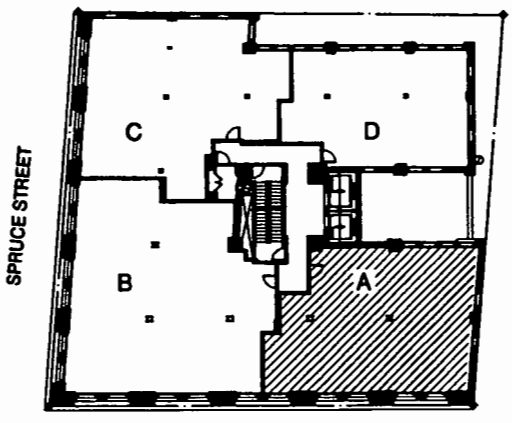
17A
2 BEDROOMS
2 BATHS / 1 POWDER



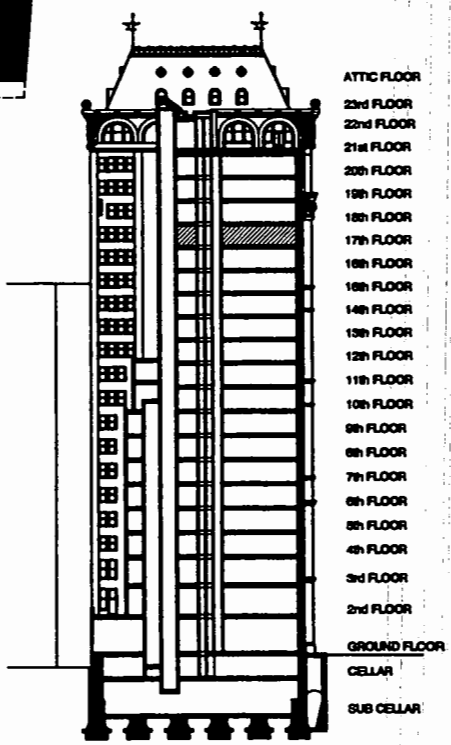
FLOOR NUMBER	APARTMENT AREA
17A	1 788 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

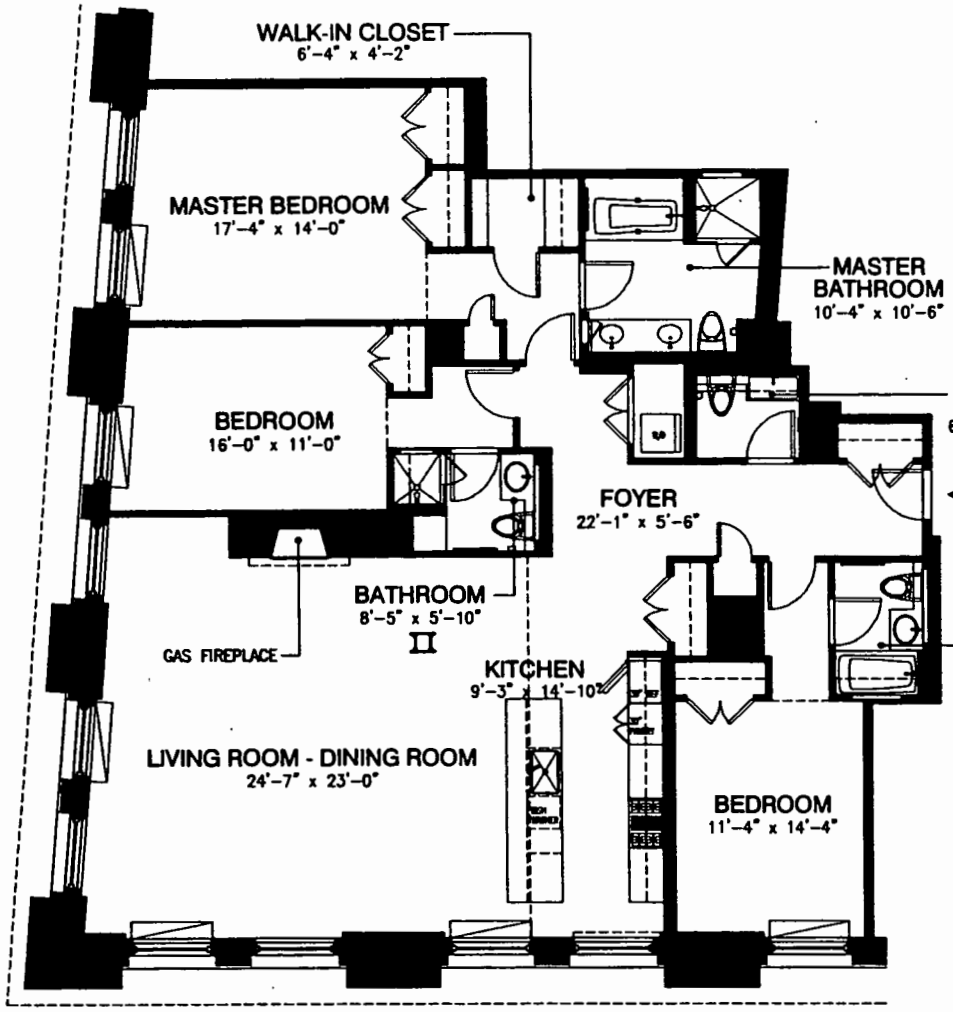


VERTICAL SECTION

2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

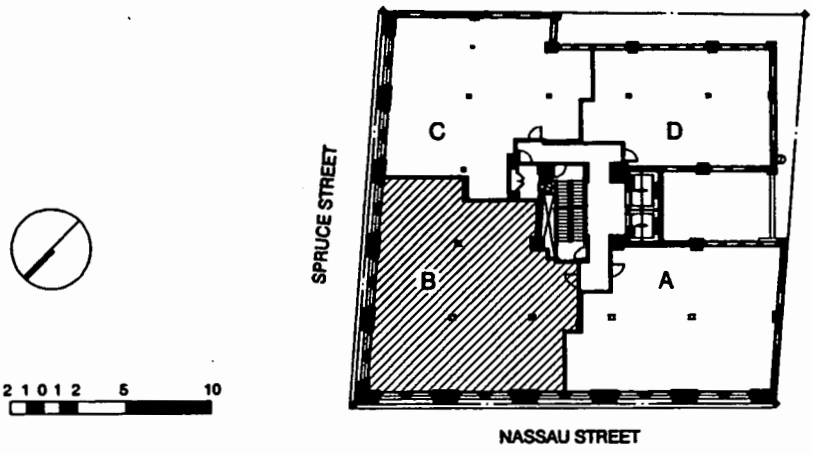


17B
3 BEDROOMS
3 BATHS / 1 POWDER

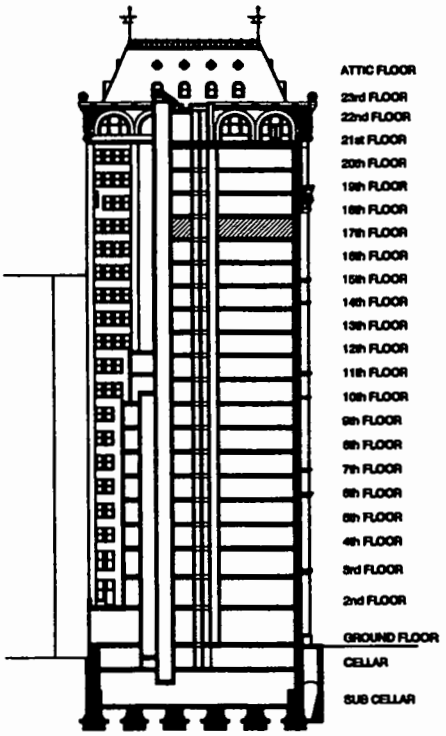
FLOOR NUMBER	APARTMENT AREA
17B	2 353 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

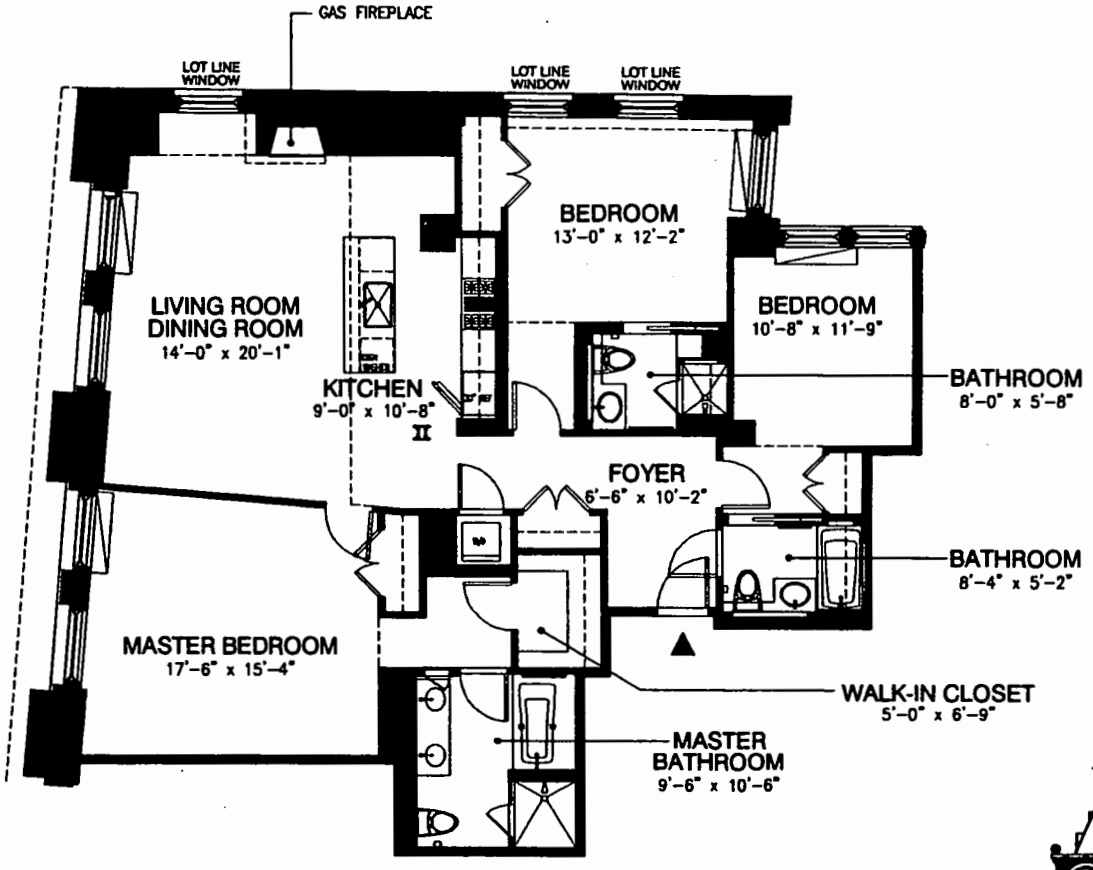


VERTICAL SECTION

2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

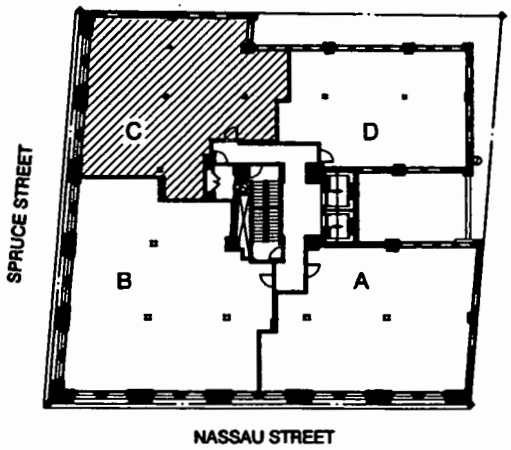


17C
3 BEDROOMS
3 BATHROOMS

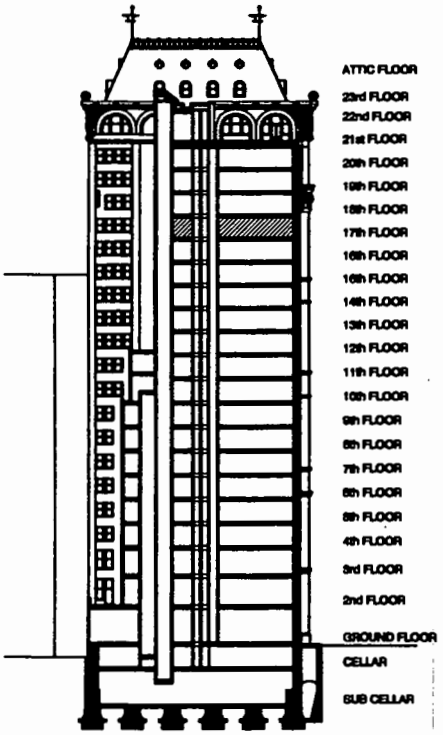
FLOOR NUMBER	APARTMENT AREA
17C	1 793 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

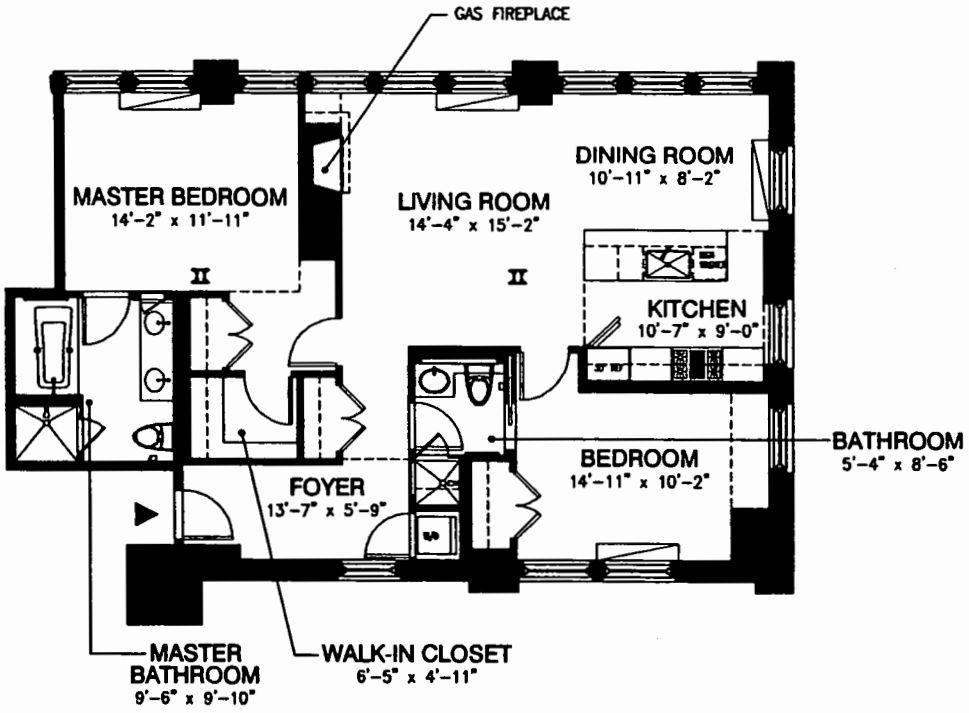
150 NASSAU

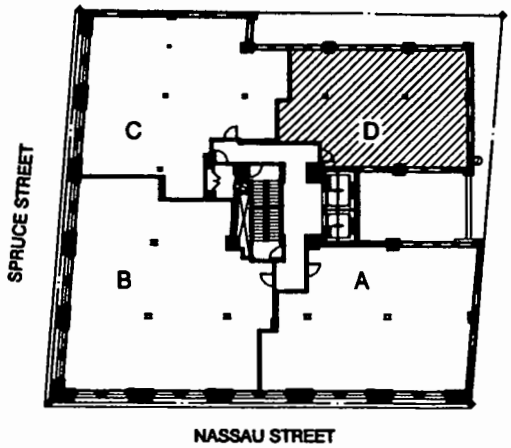
17D
2 BEDROOMS
2 BATHROOMS

FLOOR NUMBER	APARTMENT AREA
17D	1 305 SQ.FT.

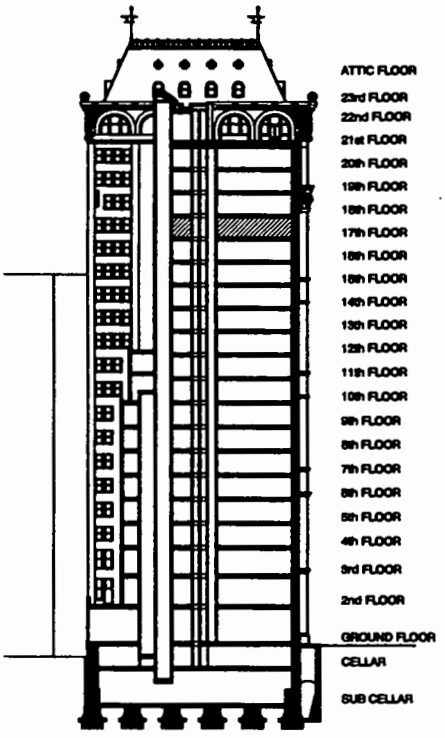
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.

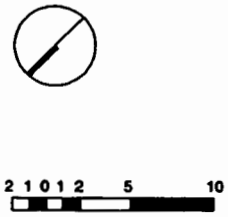




KEY PLAN



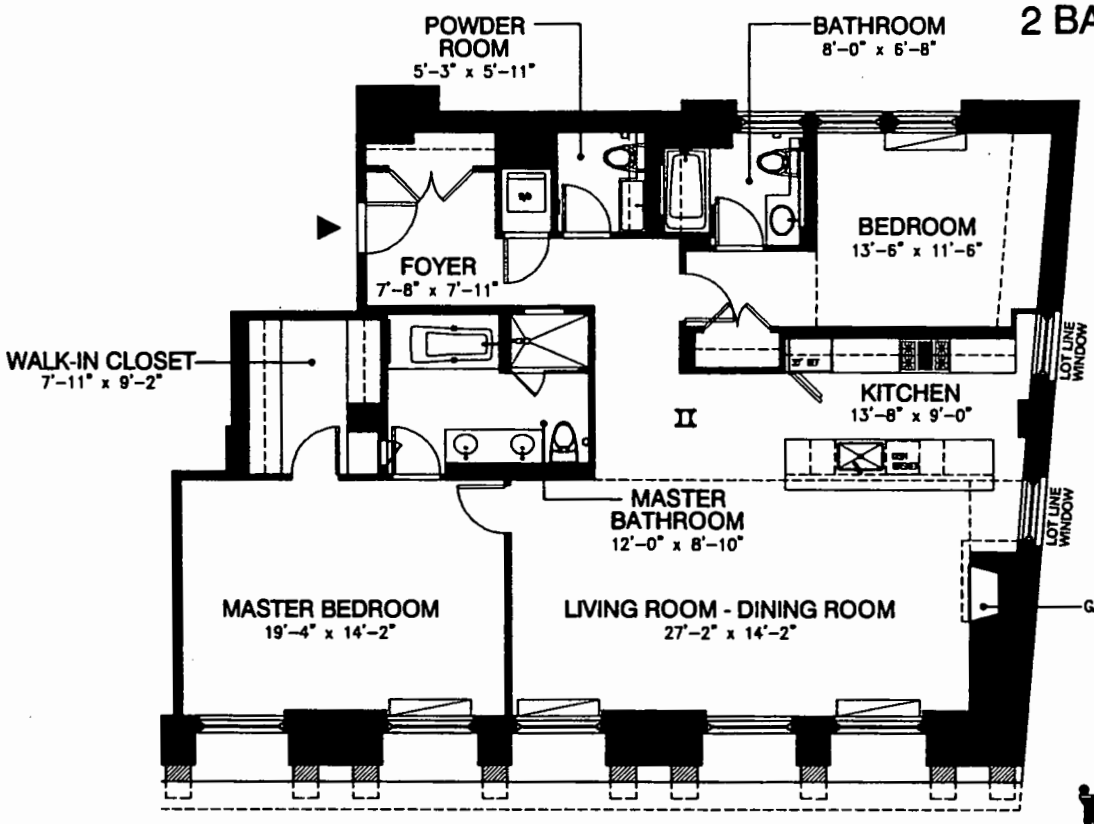
VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

18A
2 BEDROOMS
2 BATHS / 1 POWDER

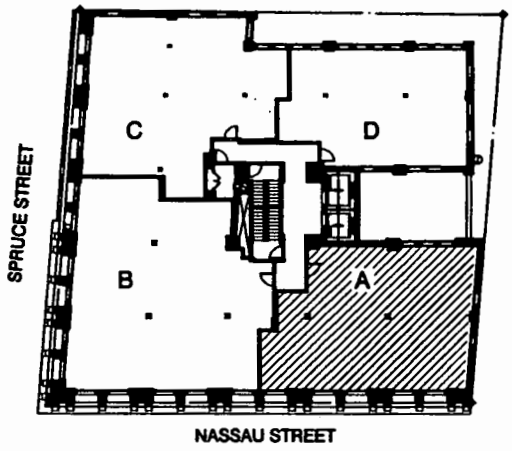


FLOOR NUMBER	APARTMENT AREA
18A	1 797 SQ.FT.

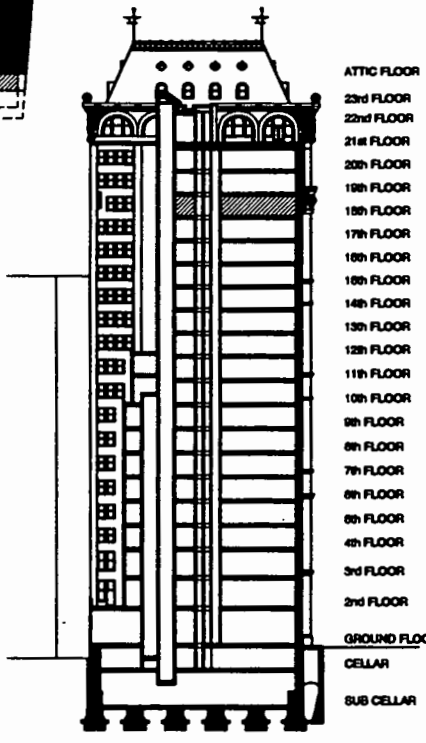
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





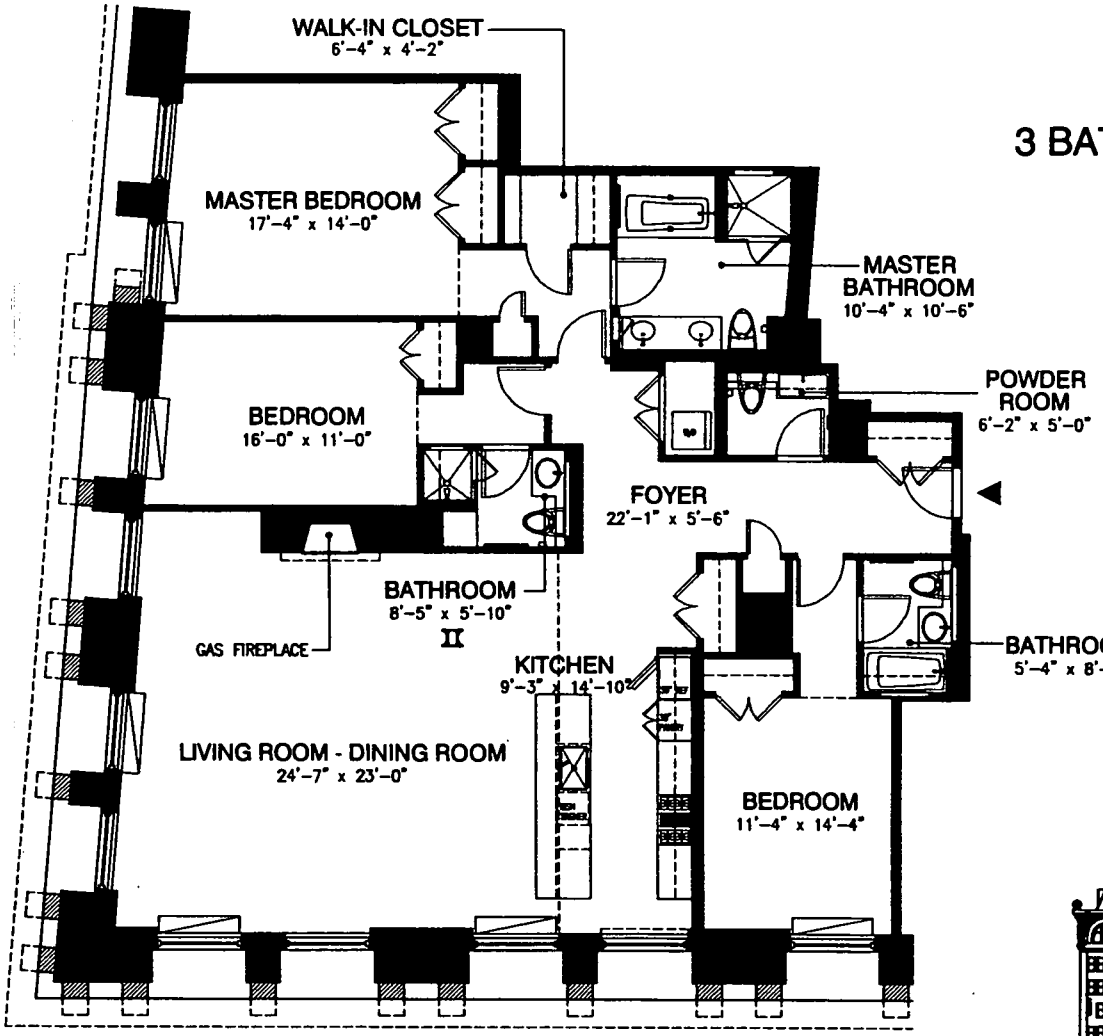
KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

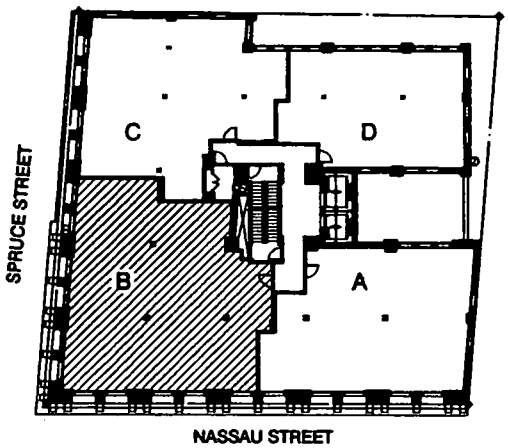


18B
3 BEDROOMS
3 BATHS / 1 POWDER

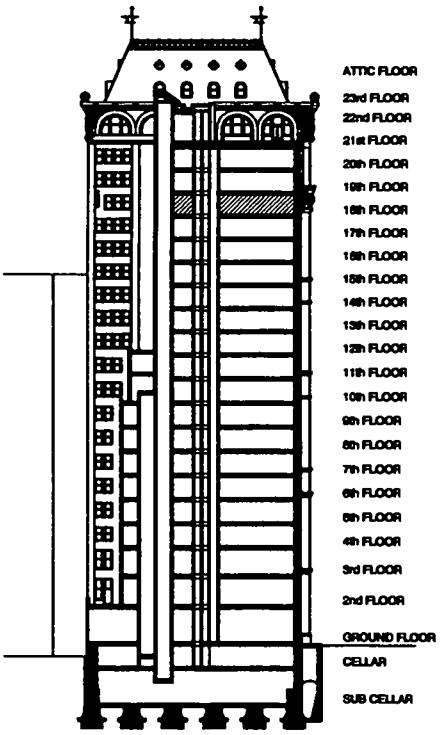
FLOOR NUMBER	APARTMENT AREA
18B	2 365 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

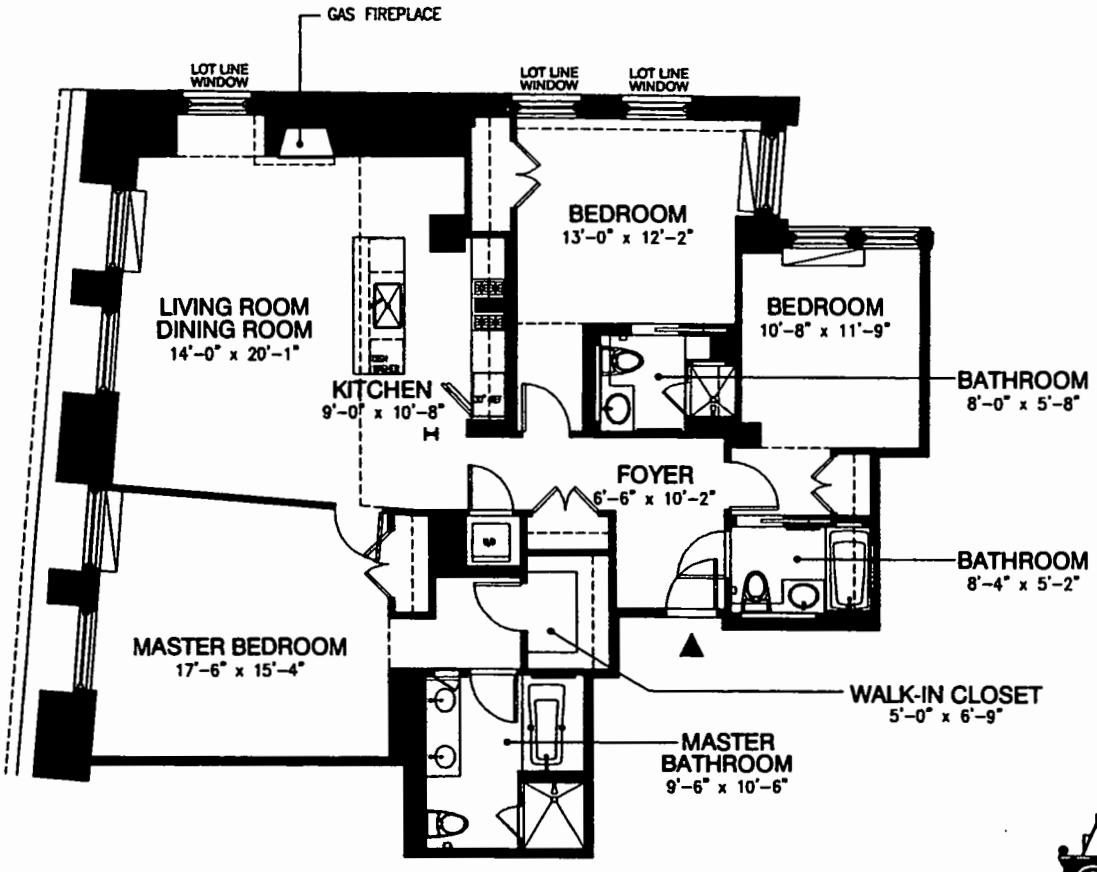


VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

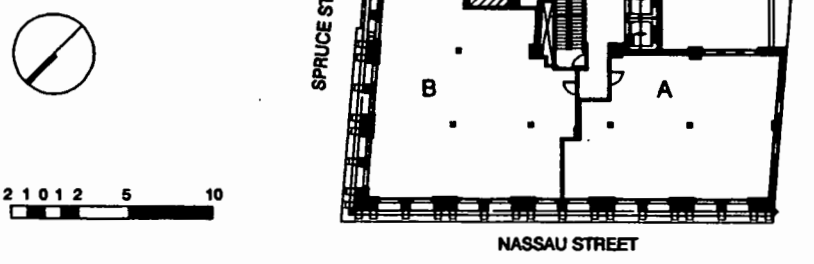


18C
3 BEDROOMS
3 BATHROOMS

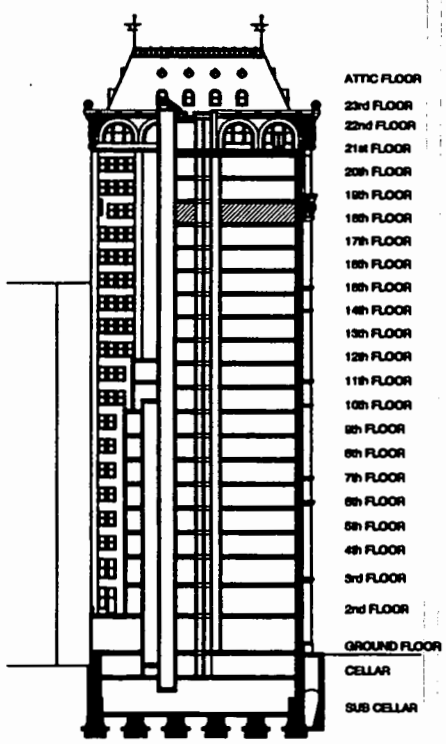
FLOOR NUMBER	APARTMENT AREA
18C	1 798 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

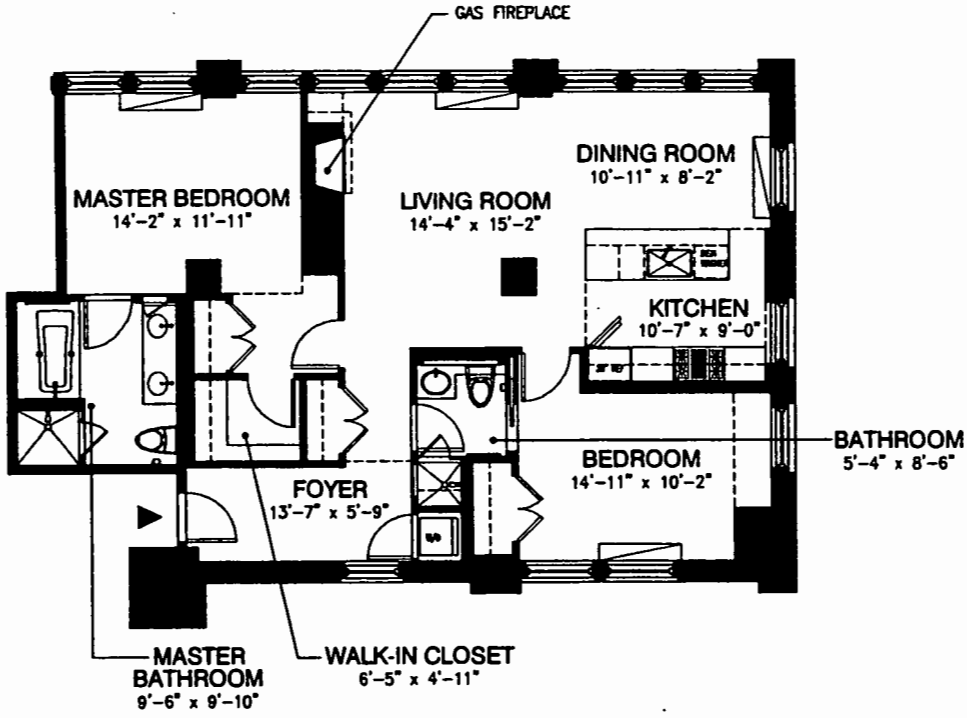
150 NASSAU

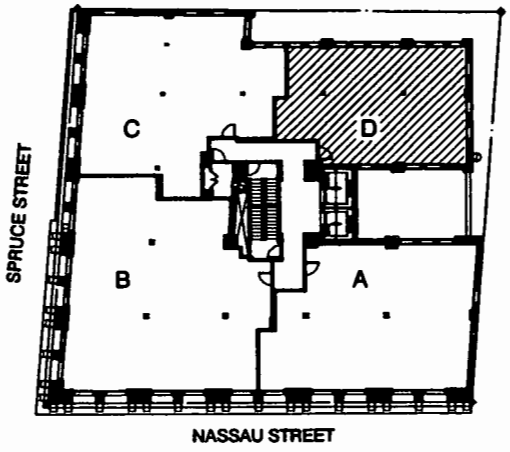
18D
2 BEDROOMS
2 BATHROOMS

FLOOR NUMBER	APARTMENT AREA
18D	1 305 SQ.FT.

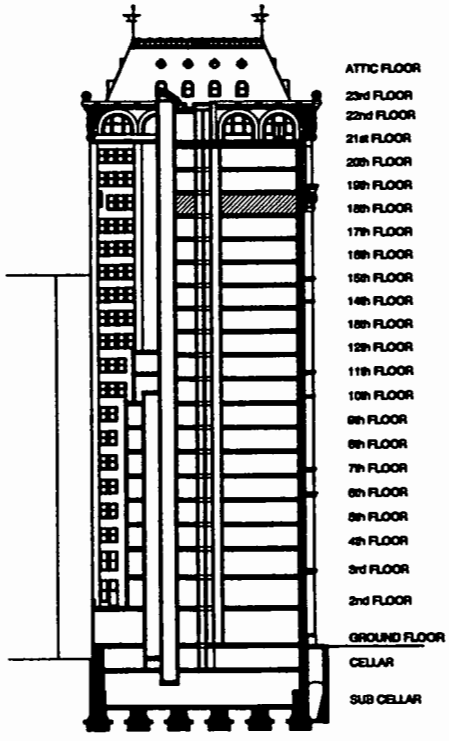
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN



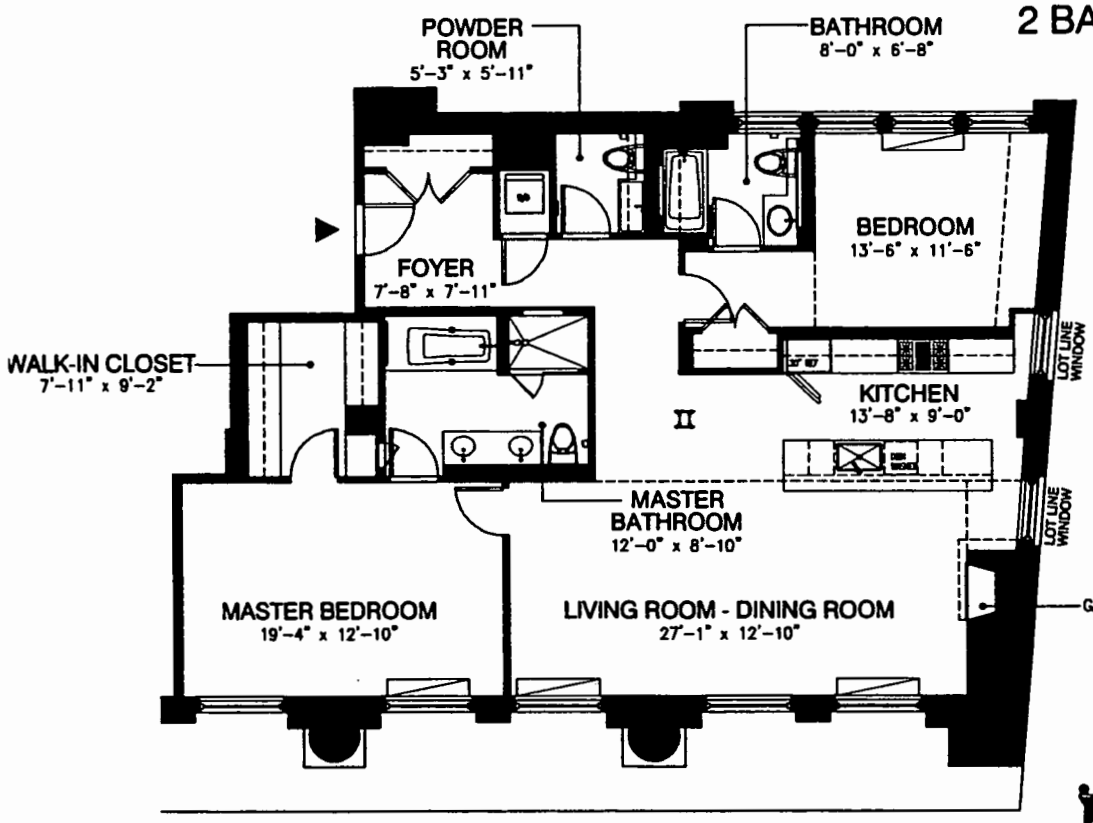
VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

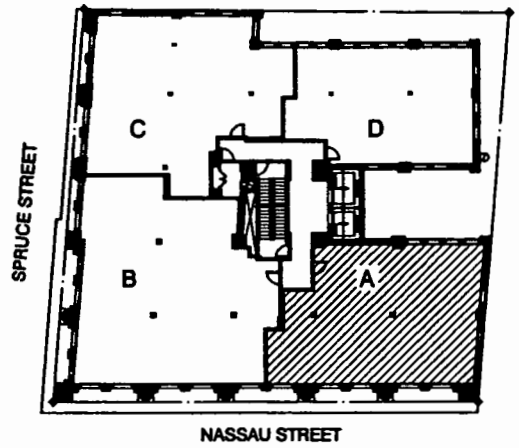
19A
2 BEDROOMS
2 BATHS / 1 POWDER



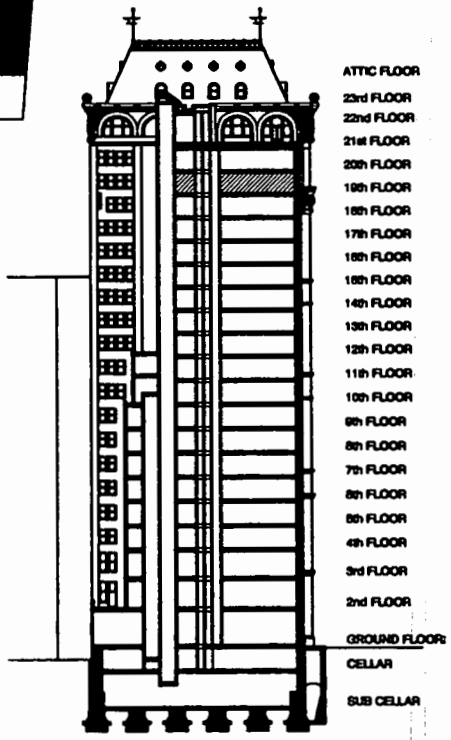
FLOOR NUMBER	APARTMENT AREA
19A	1 723 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

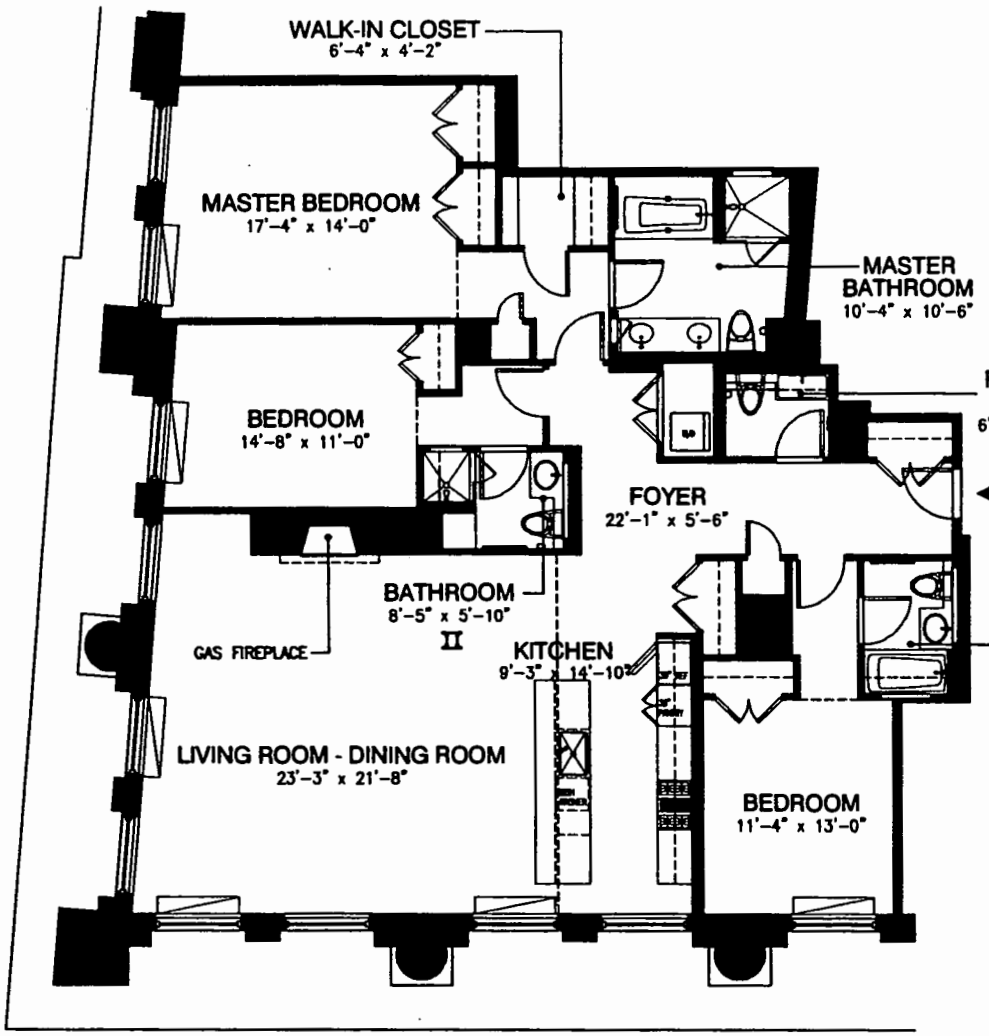


VERTICAL SECTION

2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

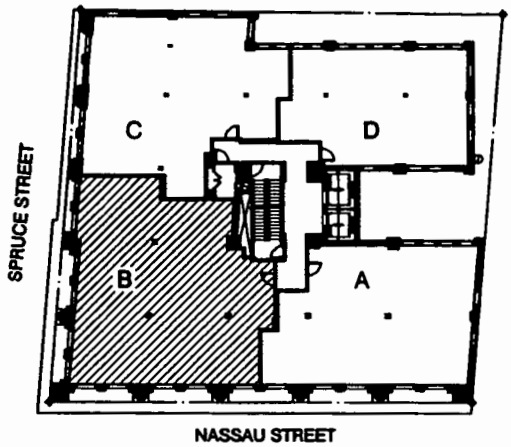


19B
3 BEDROOMS
3 BATHS / 1 POWDER

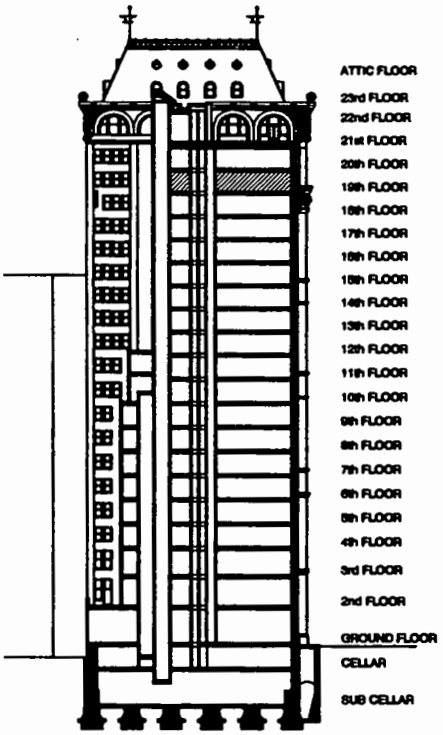
FLOOR NUMBER	APARTMENT AREA
19B	2 241 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

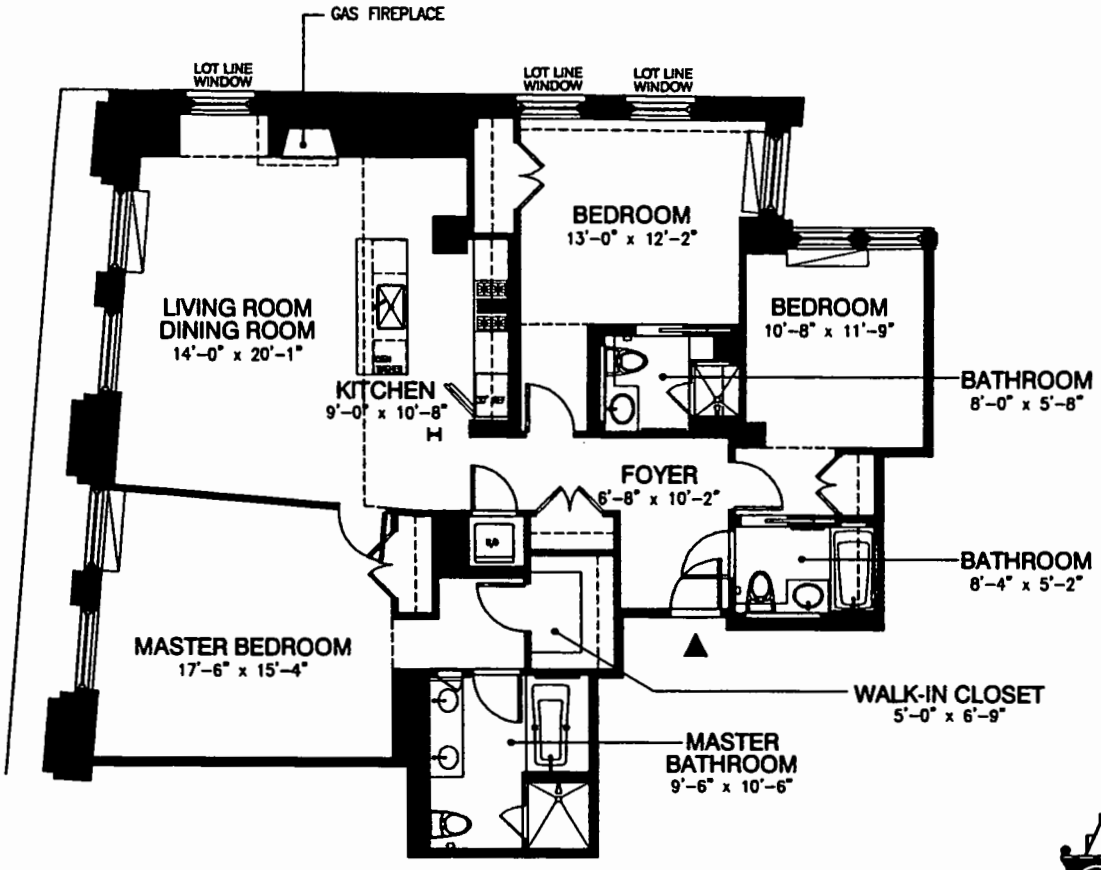
2 1 0 1 2 5 10

AT CITY HALL PARK

150 NASSAU

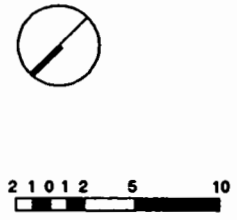
19C
3 BEDROOMS
3 BATHROOMS

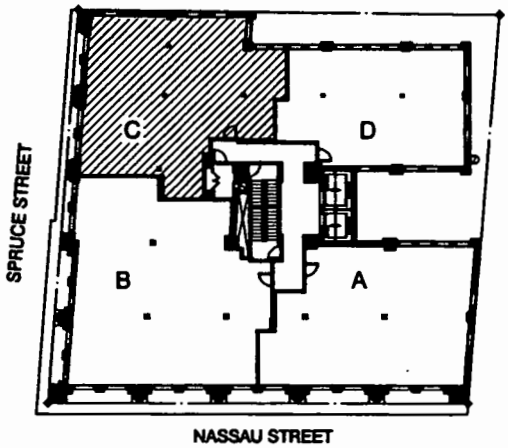
FLOOR NUMBER	APARTMENT AREA
19C	1 783 SQ.FT.



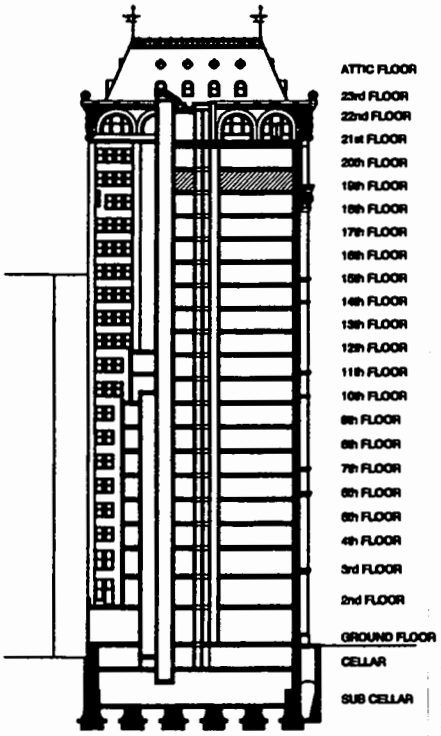
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

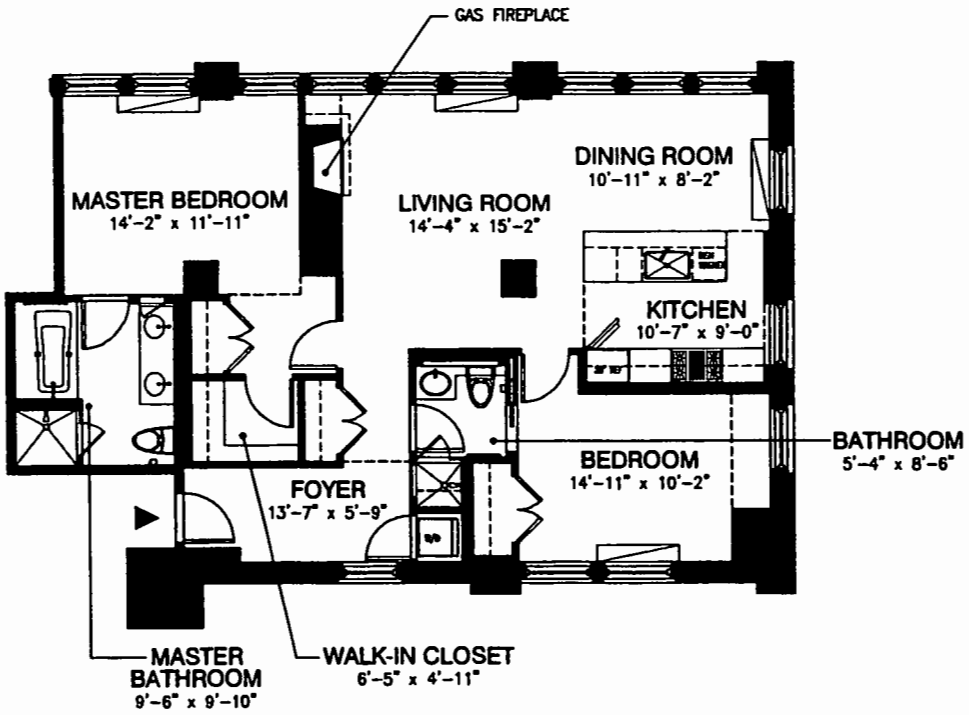
150 NASSAU

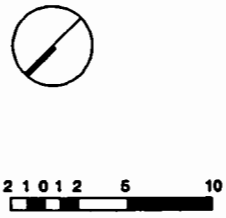
19D
2 BEDROOMS
2 BATHROOMS

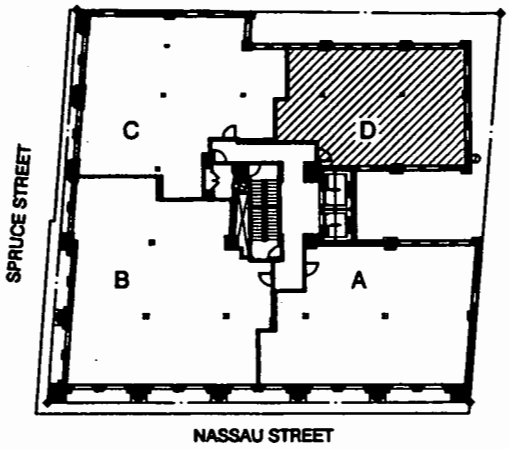
FLOOR NUMBER	APARTMENT AREA
19D	1 305 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

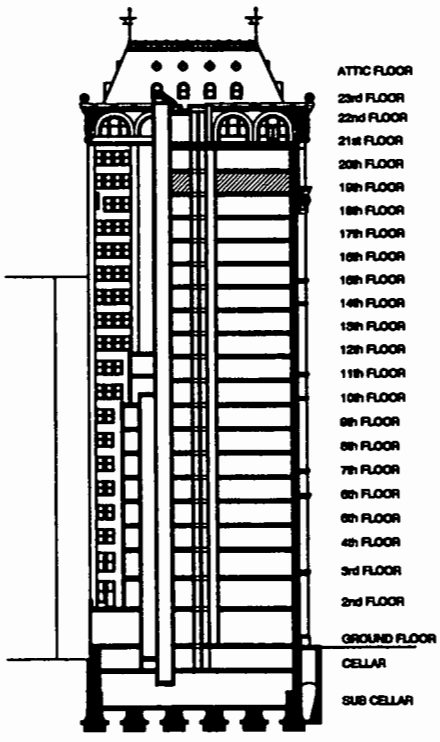
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.







KEY PLAN

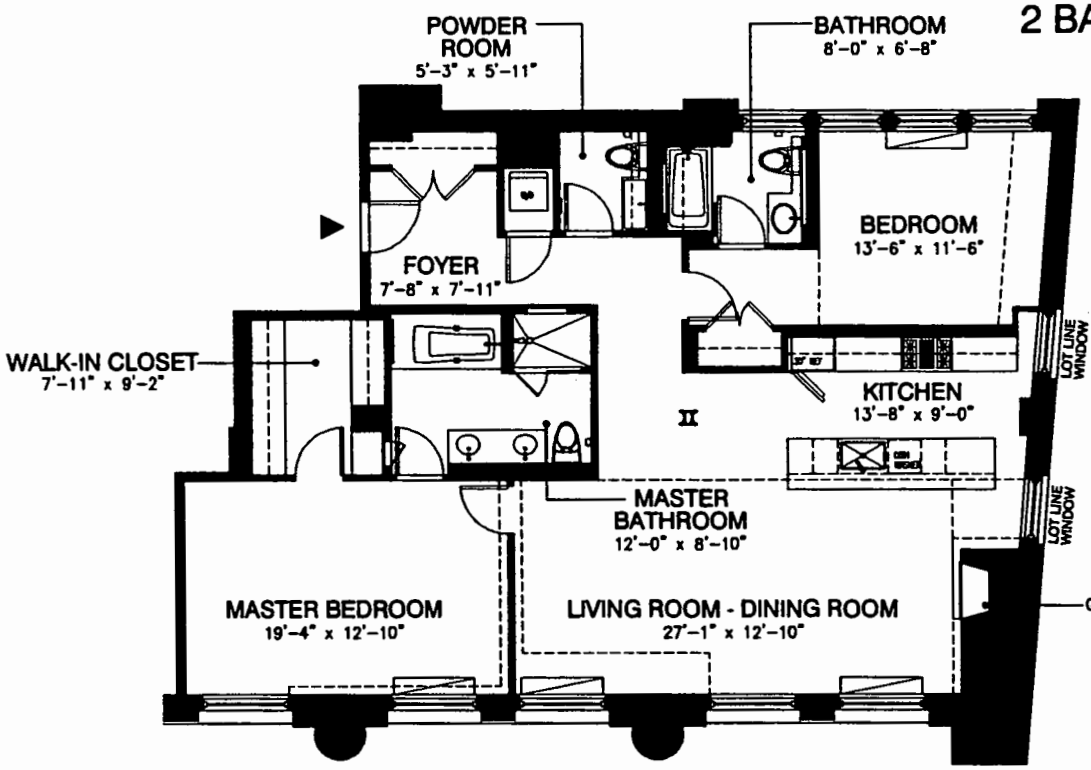


VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

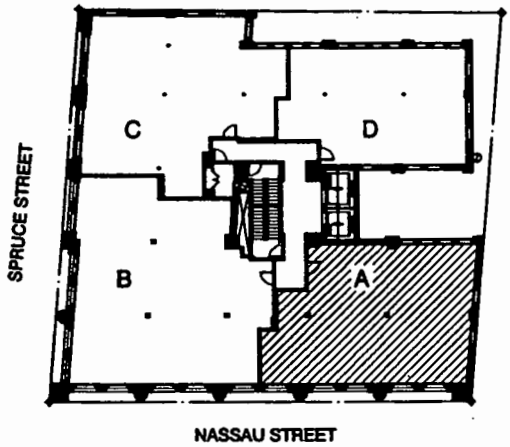
20A
2 BEDROOMS
2 BATHS / 1 POWDER



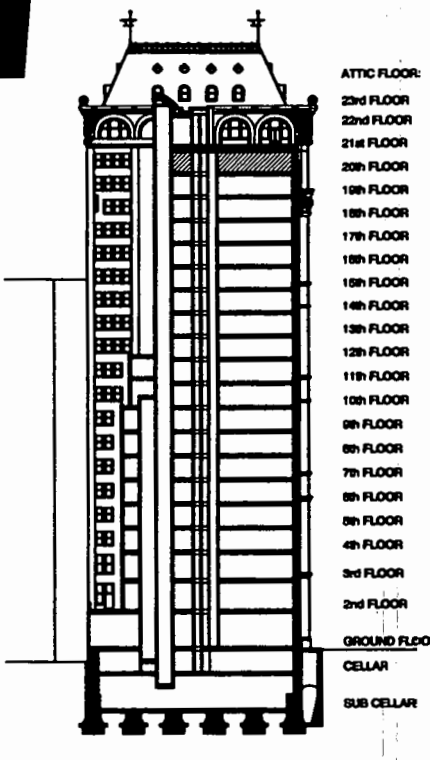
FLOOR NUMBER	APARTMENT AREA
20A	1 723 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

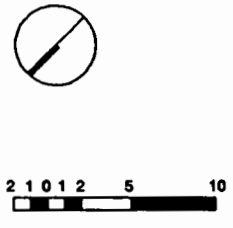
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

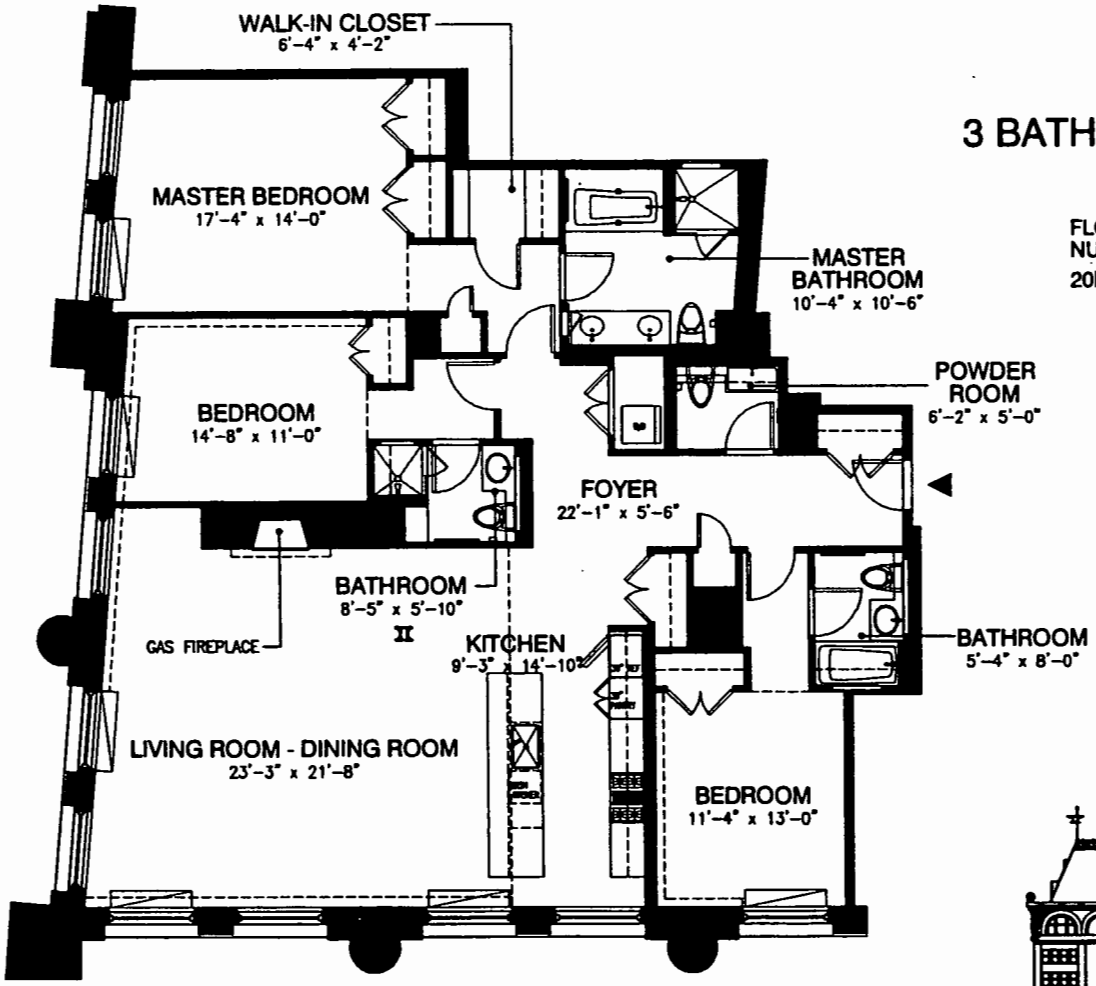


VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

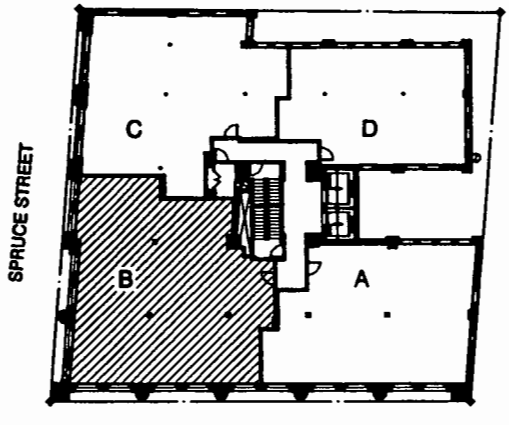


20B
3 BEDROOMS
3 BATHS / 1 POWDER

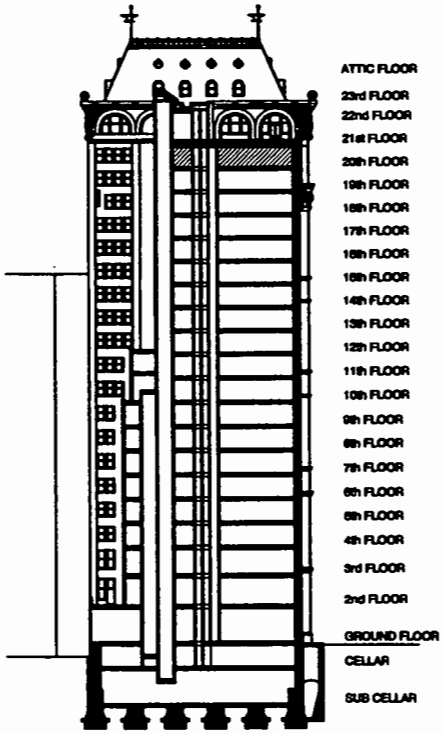
FLOOR NUMBER	APARTMENT AREA
20B	2 241 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

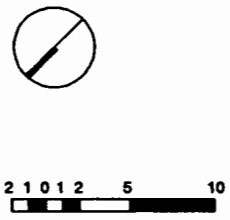
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN

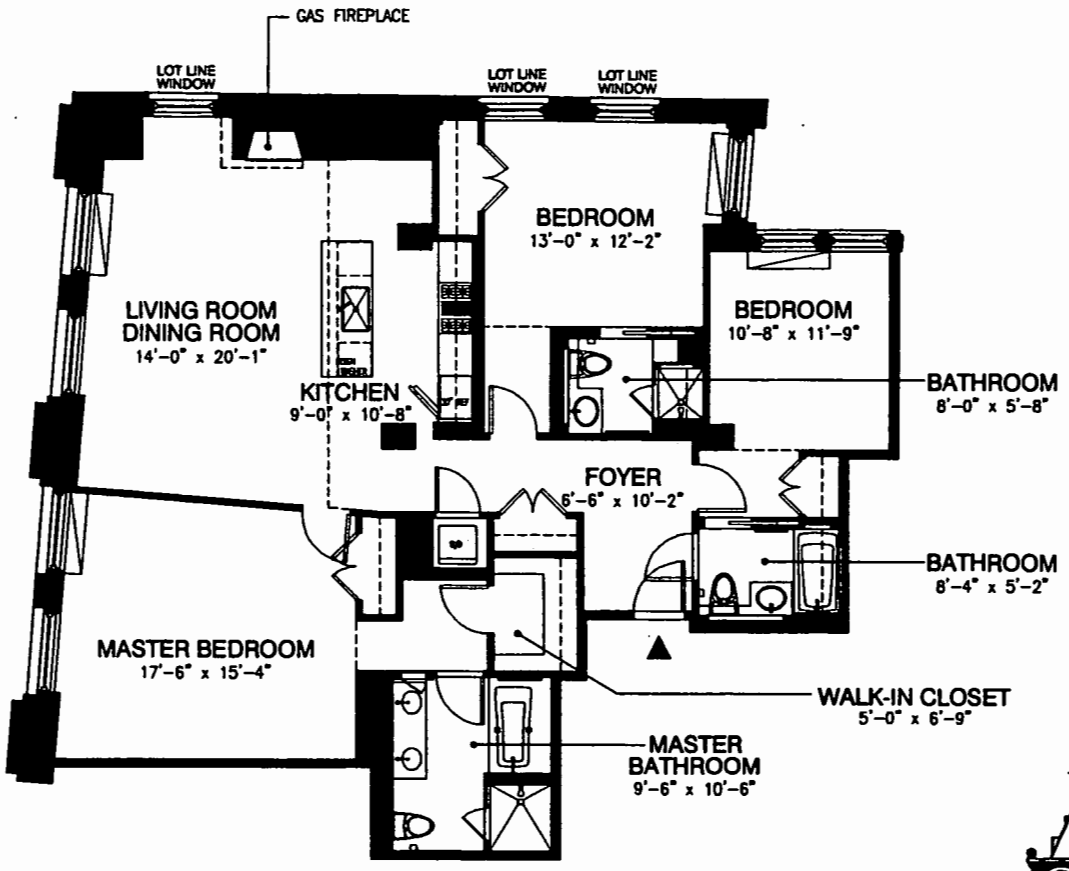


VERTICAL SECTION



AT CITY HALL PARK

150 NASSAU

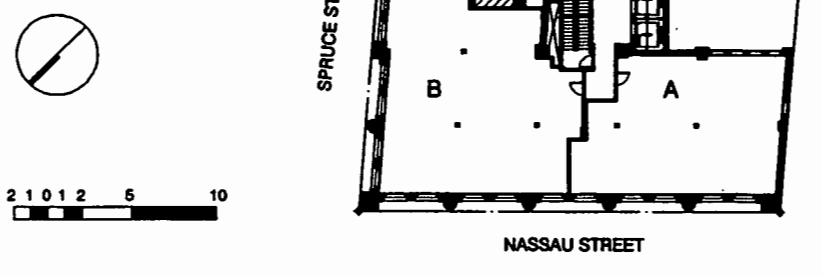


20C
3 BEDROOMS
3 BATHROOMS

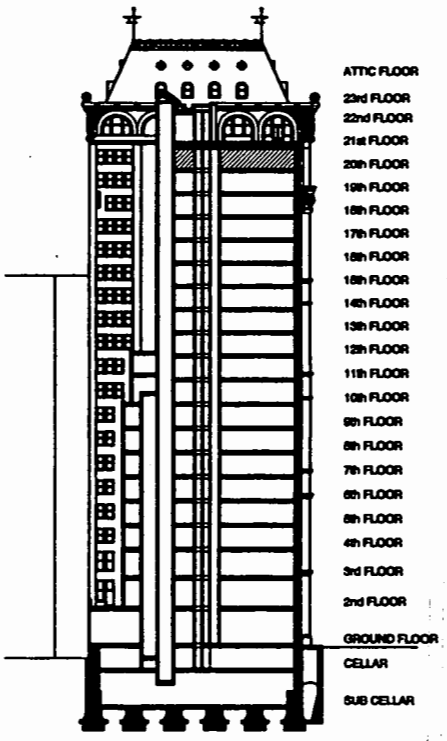
FLOOR NUMBER	APARTMENT AREA
20C	1 783 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

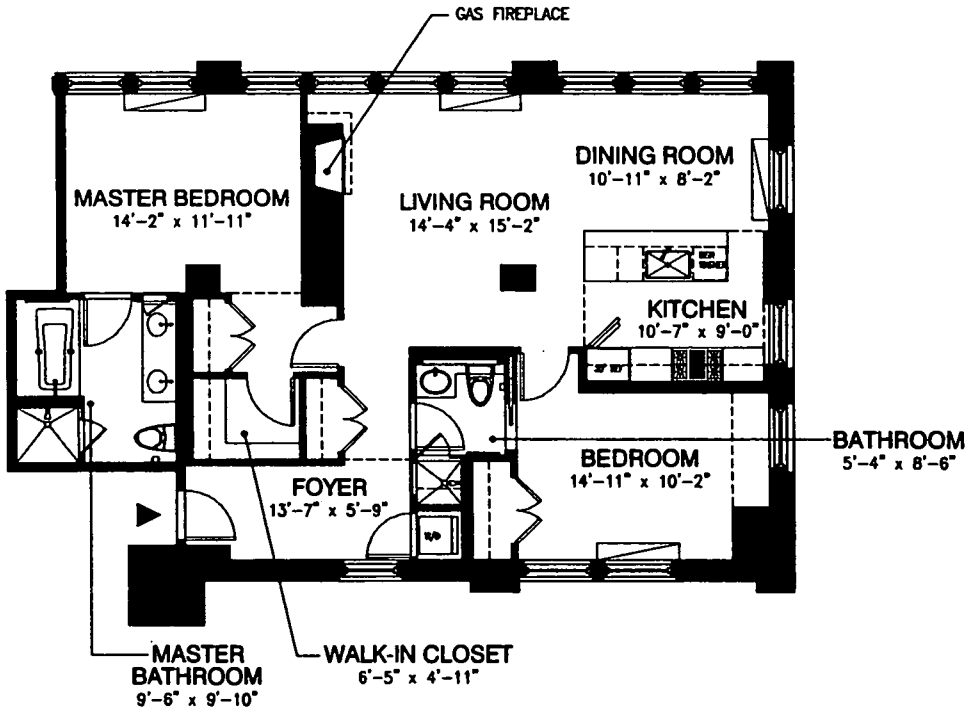
150 NASSAU

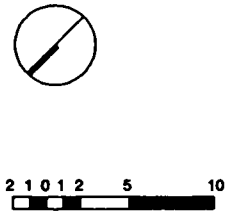
20D
2 BEDROOMS
2 BATHROOMS

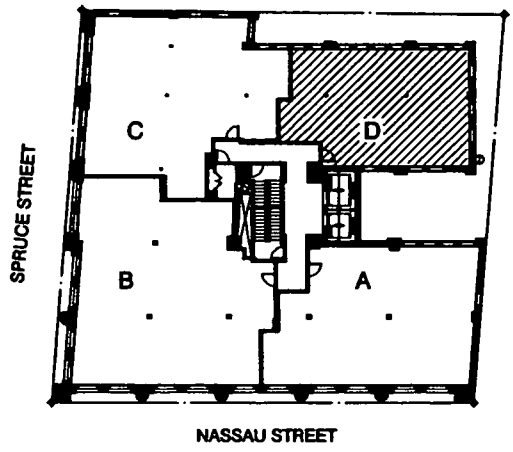
FLOOR NUMBER	APARTMENT AREA
20D	1 305 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

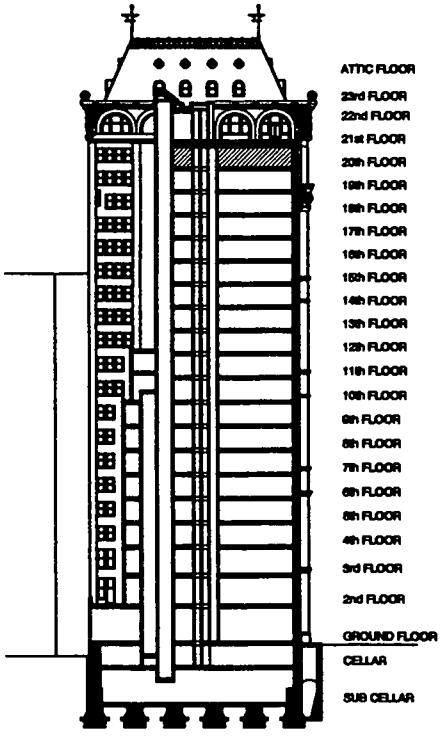
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.







KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

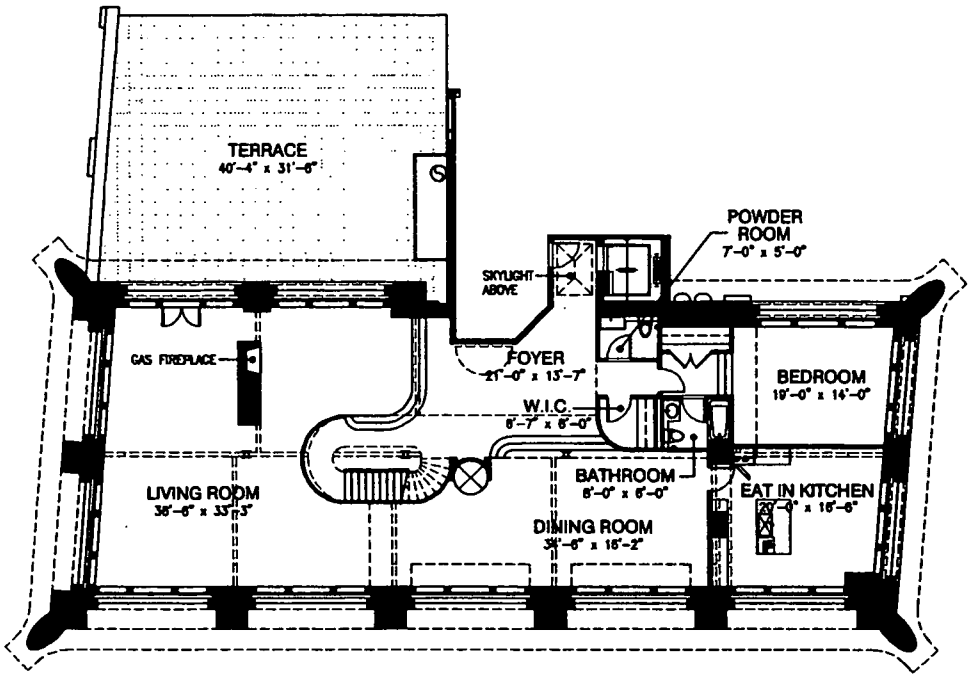
150 NASSAU

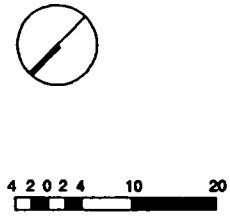
PENTHOUSE
LOWER LEVEL
21st FLOOR

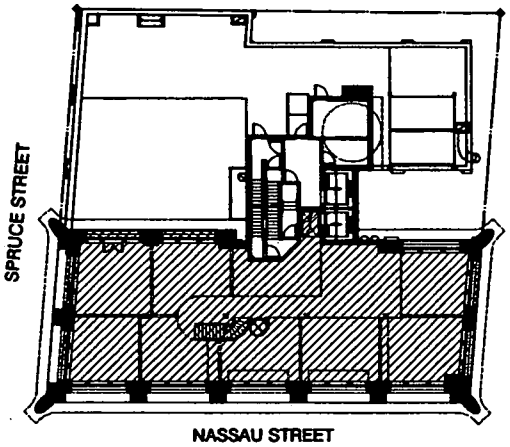
FLOOR NUMBER	APARTMENT AREA
21	3 236 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

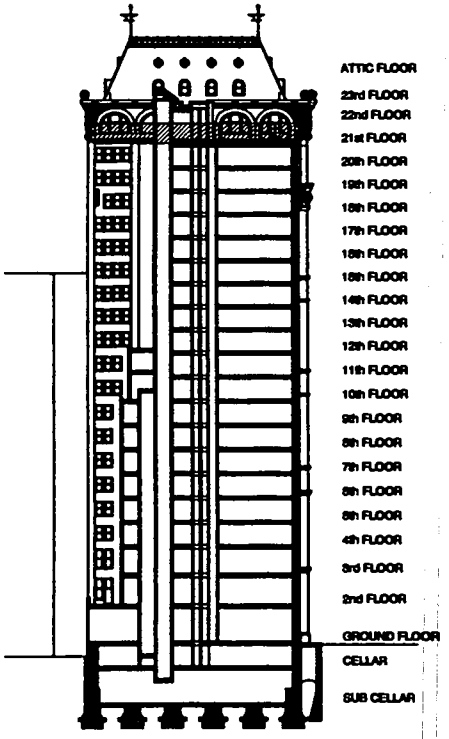
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.







KEY PLAN



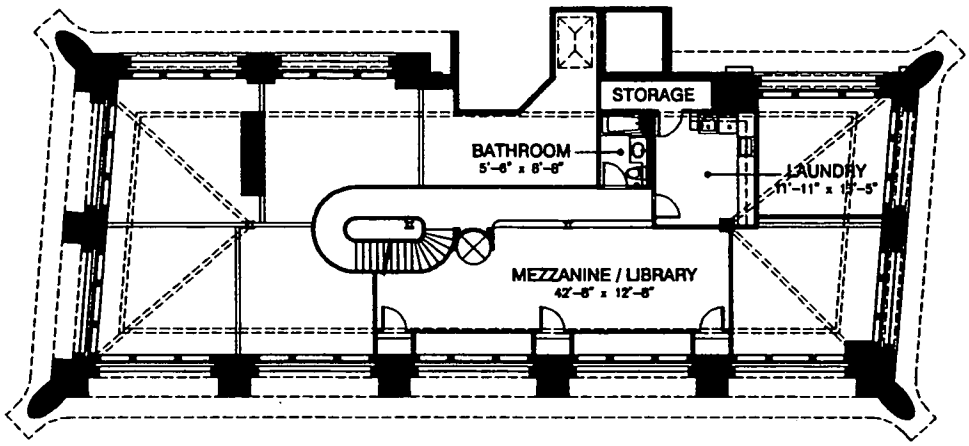
VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

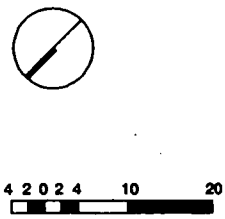
PENTHOUSE
MEZZANINE LEVEL
22nd FLOOR

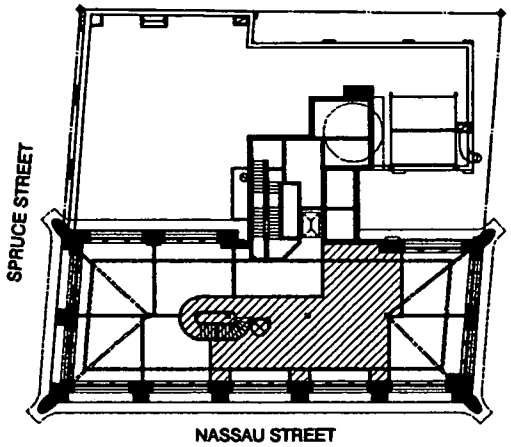
FLOOR NUMBER	APARTMENT AREA
22	1 103 SQ.FT.



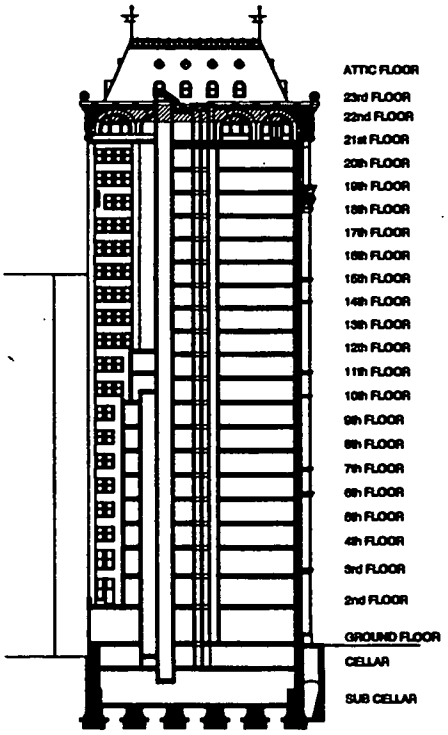
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN



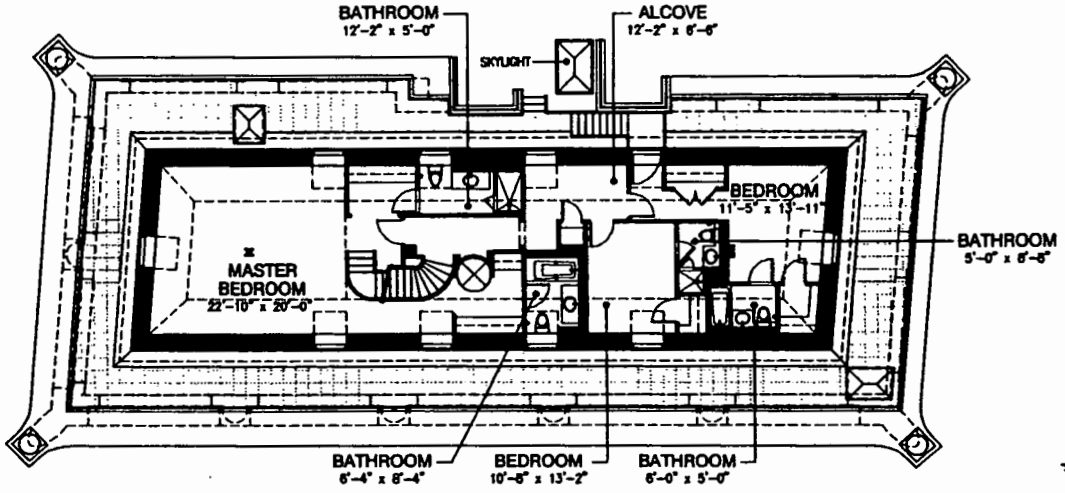
VERTICAL SECTION

AT CITY HALL PARK

150 NASSAU

PENTHOUSE UPPER LEVEL 23rd FLOOR

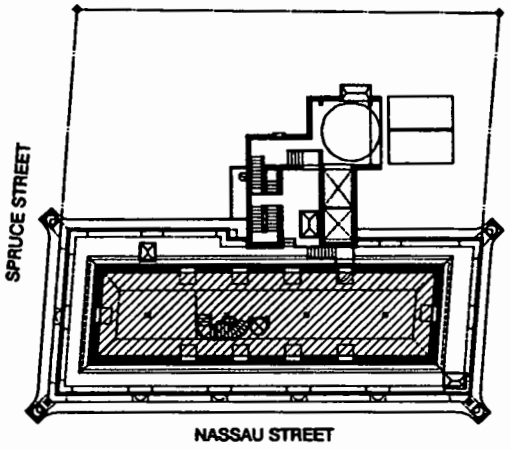
FLOOR NUMBER	APARTMENT AREA
23	1 988 SQ.FT.



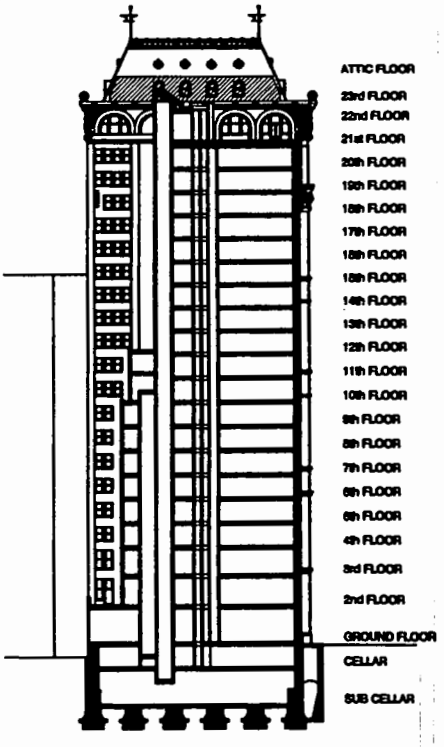
All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cutouts.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

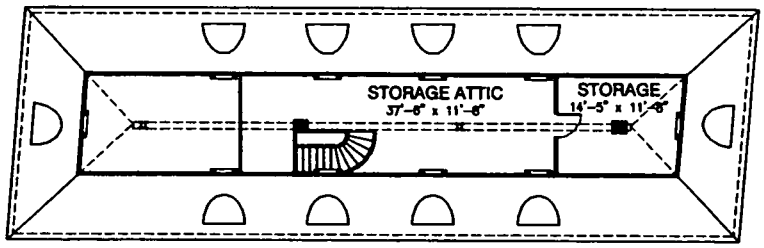
150 NASSAU

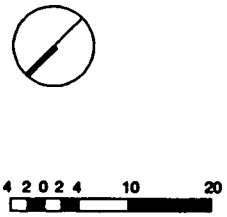
PENTHOUSE ATTIC

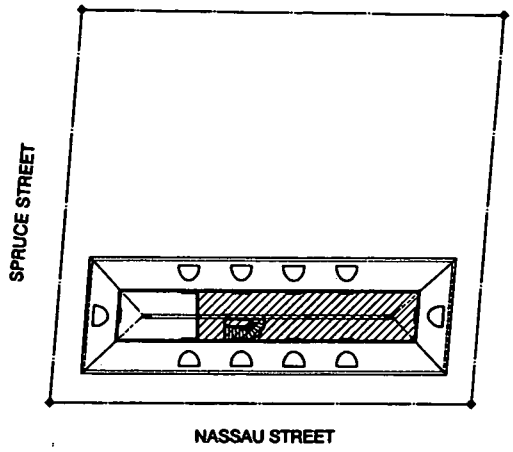
FLOOR NUMBER	APARTMENT AREA
ATTIC	610 SQ.FT.

All dimensions are approximate and subject to normal costruction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

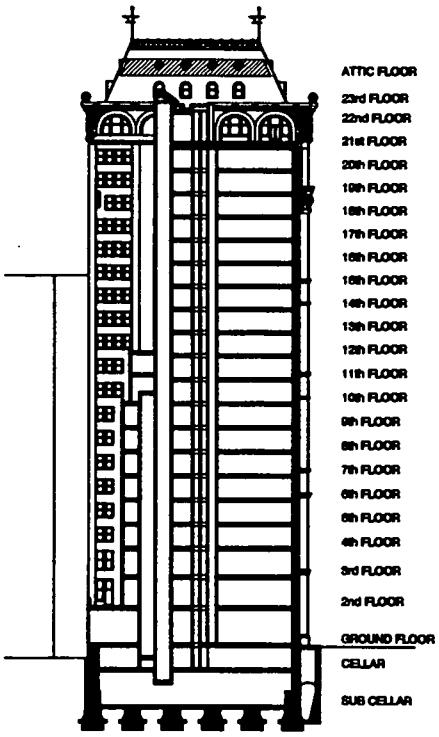
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.







KEY PLAN



VERTICAL SECTION

AT CITY HALL PARK

PURCHASE AGREEMENT

PURCHASE AGREEMENT

2 Spruce Street LLC

Sponsor

With

Purchaser

For Unit Number _____
150 Nassau Condominium
150 Nassau Street
New York, New York 10038

TABLE OF CONTENTS

1. THE PLAN 1
2. DEFINITIONS 1
3. THE UNIT 2
4. PURCHASE PRICE 2
5. DEPOSIT TO BE HELD IN TRUST 2
6. CLOSING DATE AND PLACE 3
7. DELIVERY OF THE DEED AND UNIT POWER OF ATTORNEY 3
8. STATUS OF TITLE 4
9. CLOSING ADJUSTMENTS 4
10. MORTGAGE TAX CREDIT 5
11. CLOSING COSTS 5
12. TRANSFER TAX RETURNS 5
13. AGREEMENT SUBJECT TO MORTGAGE 6
14. DEFAULT BY PURCHASER 6
15. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE 7
16. SPONSOR'S INABILITY TO CONVEY THE UNIT 7
17. FIXTURES, APPLIANCES AND PERSONAL PROPERTY 8
18. CONSTRUCTION 8
19. INSPECTION OF THE UNIT 8
20. DAMAGE TO THE UNIT 9
21. NO REPRESENTATIONS 9
22. PROHIBITION AGAINST ADVERTISING 10
23. BROKER 10
24. AGREEMENT MAY NOT BE ASSIGNED 10
25. BINDING EFFECT 11
26. NOTICES 11
27. JOINT PURCHASERS 12
28. LIABILITY OF SPONSOR 12
29. FURTHER ASSURANCES 12
30. AGREEMENT NOT CONTINGENT UPON FINANCING 12
31. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY 12
32. COSTS OF ENFORCING AND DEFENDING AGREEMENT 13
33. SEVERABILITY 13

34. STRICT COMPLIANCE....13
35. GOVERNING LAW....13
36. WAIVER OF JURY....13
37. ENTIRE AGREEMENT....13
38. CERTAIN REFERENCES....14
39. CAPTIONS....14
40. SUCCESSORS AND ASSIGNS....14
41. CONFIDENTIALITY....14
42. NO ORAL CHANGES....14
43. PERFORMANCE....14
SCHEDULE A - PERMITTED ENCUMBRANCES
SCHEDULE B - INSPECTION STATEMENT

UNIT NUMBER _____

150 NASSAU CONDOMINIUM
150 NASSAU STREET
NEW YORK, NEW YORK 10038

AGREEMENT, made as of _____, _____, between Sponsor and Purchaser (defined below).

W I T N E S S E T H :

1. THE PLAN

Purchaser acknowledges having received and read a copy of the Offering Plan for 150 Nassau Condominium dated _____, 200__ and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 days prior to Purchaser's signing this Agreement. If Purchaser has not received and read the Plan and all amendments thereto at least 3 full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Deposit to the Selling Agent. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

2. DEFINITIONS

Terms used herein which are also used in the Plan shall have the same meanings as they do in the Plan, unless the context requires otherwise.

2.1 "Sponsor" means 2 Spruce Street LLC, having an office at 500 Fifth Avenue, New York, New York 10110. Sponsor's taxpayer identification number is _____

2.2. "Purchaser" means _____ having an address at _____, _____, _____ _____. Purchaser's social security number is _____.

2.3 "Attorney for Sponsor" means Greenstein Starr Gerstein & Rinaldi LLP, having an address at 57 West 38th Street, New York, New York 10018; Attention: Allan Starr, Esq. Telephone Number (212) 398-7900. Facsimile Number (212) 575-2387.

2.4 "Attorney for Purchaser" means _____, having an address at _____, _____, _____, Attention: _____, Esq. Telephone Number: (___) _____. Facsimile Number (___) _____.

2.5 "Selling Agent" means The Marketing Directors, Inc.

2.6 "Co-Broker" means _____.

3. THE UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit designated as Unit ____ in the Declaration, together with its undivided _____% of interest in the Common Elements appurtenant to such unit ("Unit").

4. PURCHASE PRICE

4.1 The purchase price for the Unit ("Purchase Price") is $_____.

The Purchase Price is payable as follows:

(a) $_____ (the "Initial Deposit"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged;

(b) $_____ (the "Additional Deposit"; the term "Deposit", as used herein, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit), is due on earlier to occur of (i) _____, _____ (which is 9 months after Purchaser receives a countersigned copy of the Agreement from Sponsor or Selling Agent) or (ii) 15 days after Purchaser receives a written notice declaring the Plan effective or amendment to the Plan declaring the Plan effective (but in no event later than Closing); and

(c) $_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency, be drawn on or issued by a United States Bank or trust company which is a member of the Federal Reserve System shall be unendorsed. The Deposit shall be made payable to the direct order of "Greenstein Starr Gerstein & Rinaldi LLP as Escrow Agent." The balance of the Purchase Price shall be made payable to the direct order of "150 Nassau Street LLC" (or such other party as Sponsor directs to Purchaser, in writing at least 3 days prior to the date of closing of title). If any check is returned for insufficient funds or any other reason, such return shall be deemed to be a default by Purchaser under this Agreement and shall entitle Sponsor to exercise any of the remedies set forth in Article 14 hereof. Notwithstanding the foregoing, if the check representing the Deposit is returned for insufficient funds or any other reason, such return shall be deemed to be a non-curable default by Purchaser and this Agreement shall automatically be deemed cancelled. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

5. DEPOSIT TO BE HELD IN TRUST

All Deposits made pursuant to this Agreement are subject to the requirements of Sections 352-e(2) (b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto. All monies received from Purchaser towards the downpayment shall be delivered to Greenstein Starr Gerstein & Rinaldi, LLP, as escrow agent ("Escrow Agent") and shall be held in accordance with the section of the Plan entitled "Escrow and Trust Fund Requirements". By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for

a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title under this Agreement. If Purchaser shall default on his obligations under this Agreement, then the Deposit shall be released to Sponsor as liquidated damages, and thereafter, neither party shall have any further rights or obligations against or to each other. In the event Sponsor cannot convey title to the Unit to Purchaser by reason other than Purchaser's default, the Deposit shall be returned to Purchaser, within 30 business days of Sponsor's notification to Purchaser that it cannot convey title.

6. CLOSING DATE AND PLACE

6.1 The closing of title shall be held at Greenstein Starr Gerstein & Rinaldi, LLP, 57 West 38th Street, New York, New York (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than 30 days' prior written notice. Sponsor, at its sole option may agree to waive the 30 day notice if Purchaser requests such waiver. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing an extra fee as set forth in the Plan. After the initial notice, Sponsor may, from time to time, adjourn and reschedule the date and hour for closing by notice to Purchaser, which notice may fix a new date, hour and place for the closing of title.

6.2 The term "Closing Date" "Closing" "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 6.1 hereof.

7. DELIVERY OF THE DEED AND UNIT POWER OF ATTORNEY

7.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances, and title conditions set forth on Schedule A annexed hereto and made a part hereof. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording.

7.2 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board prepared by Sponsor substantially in the form set forth in Part II of the Plan.

7.3 At the closing of title, Purchaser shall execute whatever other documents are reasonably necessary or customary in connection with the conveyance of a Condominium Unit, including but not limited to title affidavits, real Property transfer tax forms, etc.

7.4 The executed deed and power of attorney to the Condominium Board shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, (i) the deed shall be returned to Purchaser and (ii) the power of attorney shall be sent to the Condominium Board.

7.5 Purchaser's payment of the balance of the Purchase Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the closing, and nothing herein shall be in derogation of the rights of Purchasers under Article 23-A of the General Business Law, the Plan, and Part 20 of the Regulations issued by the Department of Law.

8. STATUS OF TITLE

8.1 At the closing of title, Sponsor shall convey to Purchaser good and insurable title in fee simple to the Unit, free and clear of all liens and encumbrances other than those expressly agreed to by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any lien and encumbrance or condition to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the appropriate recording or filing fee, if any, or (b) Commonwealth Land Title Insurance Company ("Commonwealth") (or such other title insurance company as Purchaser may utilize), is or would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8.2 Sponsor shall be entitled to adjourn the closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the closing of title, then, for purposes of Article 14 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

8.3 If, subsequent to the closing of title, Purchaser claims that Sponsor did not convey good and insurable title in fee simple to the Unit in accordance with the Plan, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by Purchaser's title insurance. If Purchaser did not obtain title insurance at the closing, for purposes of this subparagraph, the amount and coverage which Purchaser could have obtained from Commonwealth shall be deducted from the loss or damage collectable against Sponsor. Nothing contained in this subparagraph shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law.

9. CLOSING ADJUSTMENTS

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges and assessments for the month in which title closes; and

(c) if Purchaser is allowed to occupy the Unit prior to Closing, accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering the Unit.

9.2 If a Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit.

9.3 Purchaser hereby agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date (a) the closing apportionments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.05% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein or in the Plan.

9.6 Any errors or omissions calculating apportionments at closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the closing of title.

10. MORTGAGE TAX CREDIT

In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the New York Condominium Act, it is specifically understood that such credit shall enure to the benefit of Sponsor. Accordingly, at closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the closing of title, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

11. CLOSING COSTS

In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments." All such Closing Costs shall be paid by Purchaser, at closing, by Purchaser's unendorsed personal certified check or by official bank check, in either event drawn upon a bank that is a member of the New York Clearing House Association.

12. TRANSFER TAX RETURNS

At the closing, Purchaser and Sponsor shall duly complete and sign before a notary public the real Property transfer tax return required to be filed with the City of New York ("RPT Form") and the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate ("Combined Tax

Form") required to be filed with the Department of Taxation and Finance of the State of New York (the "Tax Department"), or such other forms as may then be required by law. The RPT and Combined Tax Form shall be delivered at the closing of title to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer. Purchaser shall pay all real property transfer taxes in connection with the conveyance as set forth on the RPT Form and on the Combined Tax Form.

13. AGREEMENT SUBJECT TO MORTGAGE

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any construction or building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or from performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

14. DEFAULT BY PURCHASER

14.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to pay the Additional Deposit on the date set forth in Article 4.1(b) hereof, Purchaser's failure to pay the balance of the Purchase Price set forth in Article 4.1 (c) hereof, or any closing apportionment or closing cost required to be paid by Purchaser in Article 9,10 or 11 hereof on the Closing Date designated by Sponsor pursuant to Article 6 hereof, or the dishonor of any check given by Purchaser to Sponsor; or

(ii) the failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(iii) if Purchaser is permitted to become the tenant or other occupant of the Unit, Purchaser's failure to pay rent or to perform some other lease or occupancy obligation within the period after notice, if any, set forth in the lease or occupancy or other agreement; or

(iv) Purchaser's assignment of any of Purchaser's Property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(v) if a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's Property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vi) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the judgment or lien.

14.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Additional Deposit, the balance of the Purchase Price and to pay, perform or observe Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to (i) cancel this Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of the notice of cancellation to cure the specified default. If the default is not cured within such 30 days, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the entire Deposit and any interest earned on the downpayment. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close on his or her Unit in accordance with this Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled (including, but not limited to, reasonable legal fees and costs of collection).

15. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan (as the same may be amended from time to time). The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the downpayment, together with interest earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

16. SPONSOR'S INABILITY TO CONVEY THE UNIT

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election or inability to cure such title defect, and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any. Upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

17. FIXTURES, APPLIANCES AND PERSONAL PROPERTY

Only those fixtures, appliances and items of personal Property which are described in the Plan as being included in the Unit are included in this sale. No portion of the Purchase Price shall be attributable to such items.

18. CONSTRUCTION

18.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications (as defined in the Plan), subject to the right of Sponsor to amend the Plan and the Plans and Specifications in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a final certificate of occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

18.2 The construction of the Building and the Unit and the correction of any defects in construction to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such section.

18.3 The closing of title shall occur only after, or concurrently with, compliance with the prerequisites recited in the Section of the Plan entitled "Closing of Title to Units." As a result, if all other prerequisites not involving the construction of the Unit are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without provision for punch-list escrow) once a temporary or permanent certificate of occupancy is issued for the Unit (notwithstanding any construction items noted on Purchaser's Inspection Statement (as hereinafter defined) remaining for Sponsor to complete and/or correct in accordance with its obligation under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building not affecting the Unit).

18.4 The actual date for the First Closing is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites recited in the Section of the Plan entitled "Closing of Title to Units". Purchaser acknowledges that construction may be delayed by late delivery of material or equipment, labor difficulties, unavailability of building trades, casualty, inclement weather and other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these Units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially later than the projected date or the time to complete or to close title to the Unit is delayed or is postponed by Sponsor.

19. INSPECTION OF THE UNIT

Prior to the Closing Date, Purchaser shall be notified that the Unit is ready for inspection. Upon receipt of such notice, Purchaser shall arrange an appointment with a representative of Sponsor to inspect

the Unit within the 3 day period prior to the Closing Date. Purchaser or his or her duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule B to this Agreement) and deliver same to the Sponsor's representative at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within the 3 day period prior to the Closing Date or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from paying the balance of the Purchase Price when due and shall constitute Purchaser's full acceptance of the Unit as is. However, nothing herein shall relieve Sponsor of its obligations as set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

Any work set forth on the Inspection Statement may be completed by Sponsor in a reasonable period of time following the Closing and shall not be grounds for delaying the Closing. Purchaser will be required to provide Sponsor with reasonable access to the Unit subsequent to the Closing in order to complete punchlist work. Sponsor has no obligation under the Plan to deposit any monies in escrow at Closing as a result of any punchlist items.

20. DAMAGE TO THE UNIT

If between the date of this Agreement and the closing of title the Unit is damaged by fire or other casualty, the following shall apply:

20.1 The risk of loss to the Unit by fire or other casualty until the earlier of closing of title or possession of the Unit by Purchaser is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title.

20.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force and effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

21. NO REPRESENTATIONS

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for

any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented. Purchaser has relied solely on his own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall not be relieved of any Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 21 shall survive the closing of title.

22. PROHIBITION AGAINST ADVERTISING

Prior to the closing of title, Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without Sponsor's prior written consent. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to Closing of title shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Article 14 hereof.

23. BROKER

Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than the Selling Agent and the Co-Broker whose commissions shall be paid by Sponsor. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent and the Co-Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article shall survive the closing of title.

24. AGREEMENT MAY NOT BE ASSIGNED

24.1 Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld or delayed. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to anyclaim for damages against Sponsor. Under no circumstances will Sponsor consent to an assignment of the Purchase Agreement in which the Purchaser will receive consideration. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall be required to pay Sponsor's attorneys a fee of $750, in advance, for preparation of an assignment agreement. Any purported assignment by Purchaser in violation of this agreement shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Article 14 hereof, and shall be voidable at the option of Sponsor.

24.2 Notwithstanding anything to the contrary contained in sub-paragraph 24.1, Purchaser shall have a one time right to assign Purchaser's rights under this Agreement, in whole, but not in part, to an entity "controlled" (as such term is defined below) by Purchaser, (the entity to which the rights are assignable may be a trust, limited liability company or a corporation) or to member(s) of Purchaser's

immediate family, provided that (i) Purchaser designates such assignee at least 20 business days prior to the Closing Date; (ii) Purchaser delivers to Sponsor's counsel a fee in the amount of $750 for its services required in connection with the preparation of the assignment and assumption agreement; (iii) the Closing will not be delayed as a result of such assignment; (iv) the assignee of this Agreement assumes in writing, by an instrument prepared by Sponsor's counsel, of this Agreement assumes in writing the obligations of Purchaser under this Agreement; and (v) the assignment is made without a profit to Purchaser. As used in this subparagraph, the term "control" shall mean the control, either directly or indirectly, of at least 51% percent of the voting shares or equity interests of such assignee, together with the authority to direct and manage the affairs of such assignee, which shall include Purchaser, being the managing general partner of such partnership or the principal manager or managing member of such limited liability company. Any obligations of Purchaser may be performed by such assignee, and Sponsor agrees to accept such performance as if it were the performance of the Purchaser. No such assignment shall modify the named Purchaser's obligations hereunder including without limitation named Purchaser's indemnity obligations contained in this Agreement, reduce or limit any liability or obligation of the named Purchaser who shall remain primarily liable notwithstanding any liability assumed by assignee. Unless Purchaser complies with the provisions of this subparagraph, any purported assignment by Purchaser shall be null and void and of no effect as against Sponsor.

25. BINDING EFFECT

The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within 30 days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and cancelled and the deposit paid on the execution hereof shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other hereunder or under the Plan. Prior to Sponsor's countersigning and returning this Purchase Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

26. NOTICES

26.1 Any notice, election, demand, request, letter, consent or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed to the Attorney for Purchaser at the address given at the beginning of this Agreement with a copy to the Purchaser by regular mail and to Sponsor at the address given at the beginning of this Agreement, with a copy to the Attorney for Sponsor in the same manner as notice is given to Sponsor. Acknowledged receipt of facsimile transmission shall be deemed satisfactory notice hereunder. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected, or in the case of mailing, the 3 days after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself.

26.2 Sponsor hereby designates and empowers both the Selling Agent and Sponsor's counsel Greenstein Starr Gerstein & Rinaldi LLP, as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

27. JOINT PURCHASERS

The term "Purchaser" shall be read as "Purchasers" if more than one person are Purchasers, in which case their obligations shall be joint and several.

28. LIABILITY OF SPONSOR

Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

29. FURTHER ASSURANCES

Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

30. AGREEMENT NOT CONTINGENT UPON FINANCING

The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof), and Purchaser understands and agrees that his failure to obtain such financing will not relieve him of his obligations hereunder. Purchaser further understands and agrees that if he chooses to finance his purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in his financial status or condition shall release or relieve him of his obligations pursuant to this Agreement.

31. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY

31.1 The provisions of this Article shall survive the closing of title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

31.2 If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser hereby designates a duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.

31.3 If Purchaser is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. Section 4305, Purchaser shall notify the United States Department of State prior to purchasing a Unit and provide a copy of such notice to Sponsor. Sponsor shall not be bound under this Agreement unless and until the earlier to occur of: (i) a notification of approval is received from the Department of State; or (ii) sixty (60) days after Purchaser's notice is received by the Department of State.

32. COSTS OF ENFORCING AND DEFENDING AGREEMENT

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder.

33. SEVERABILITY

If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

34. STRICT COMPLIANCE

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

35. GOVERNING LAW

The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

36. WAIVER OF JURY

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

37. ENTIRE AGREEMENT

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

38. CERTAIN REFERENCES

A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

39. CAPTIONS

The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

40. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall bind and enure to the benefit of Purchaser and his heirs, legal representatives, successors and permitted assigns and shall bind and enure to the benefit of Sponsor and its successors and assigns.

41. CONFIDENTIALITY

Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Paragraph 14 of this Agreement.

42. NO ORAL CHANGES

This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereto or in a separate written agreement signed by the parties hereto or by an amendment to the plan.

43. PERFORMANCE

Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday, such payment may be made or condition performed on the next business day succeeding such Saturday, Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

2 Spruce Street LLC

By: _____
Name:
Title:

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey or personal inspection of the Property would show, provided such encroachment of such Unit upon Common Elements may remain undistributed as presently situated as long as the Building stands.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans as all of the same may be amended from time to time.

4. Consents by the Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

8. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations.

9. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

10. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

11. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that the Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

12. Any declaration or other instrument affecting the Property which the Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

13. Any encumbrance as to which Commonwealth Land Title Insurance Company (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit) would be willing, in a fee policy issued by it to the Purchaser, to

insure the Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

14. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.

15. Any lease covering the Unit(s) made from the Sponsor to the Purchaser.

16. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board, or another Unit Owner to correct.

17. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company.

18. Any certificate of occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

SCHEDULE B

INSPECTION STATEMENT

TO BE EXECUTED AT FINAL INSPECTION

Date: _____, ____

2 Spruce Street LLC
500 Fifth Avenue
New York, New York 10110

Re: 150 Nassau Condominium

Gentlemen:

1. On the date hereof, the undersigned has inspected the Unit(s) set forth below which the undersigned is purchasing and have found the Unit(s) to be in good condition, except as otherwise noted below.

2. The undersigned acknowledges that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to the date the undersigned moves into the building. The undersigned agrees to sign-off each item requiring adjustment, or repairs, if any, as they are completed.

Unit No._____

PURCHASER(S):

_____
(signature)

_____
(signature)

_____
Sponsor's Representative

RESIDENTIAL UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, ____, between _____, having an office at 500 Fifth Avenue, New York, New York 10110 ("Grantor") and _____ having an address at _____("Grantee").

WITNESSETH:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit ("Unit") known as Unit No. __ in the building ("Building") known as 150 Nassau Condominium ("Condominium") and by the street number 150 Nassau Street, Borough of Manhattan, County of New York, City and State of New York, said Unit being designated and described by the above Unit No. in a certain declaration dated _____, _____, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the New York County Office of the Register of The City of New York ("Register's Office") on _____, _____, in Reel _____, Page ____ ("Declaration"). The Unit is also designated as Tax Lot ___ in Block 100 of Section 1 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of the Building, certified by _____ _____ on _____, _____, and filed with the Real Property Assessment Department of The City of New York on _____, _____, as Condominium Plan No. ____ and also filed in the Register's Office on _____, _____, as Map No. ____;

TOGETHER with an undivided ___% interest in the Common Elements (as such term is defined in the Declaration);

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of the Condominium (the "By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are collectively referred to as the "Property").

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the

Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for Residential use only.

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws).

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business actually conducted by the Grantor.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or the By-Laws of the Condominium.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

_____

By: _____
Name:
Title:

GRANTEE(S):

_____
Name:

_____
Name:

(ACKNOWLEDGEMENT)

EXHIBIT A

TO UNIT DEED

DESCRIPTION OF THE LAND

(TO BE INSERTED FROM TITLE REPORT)

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership

of the Premises known as
and
having a street address of
150 Nassau Street
New York, New York 10038

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name:

150 Nassau Condominium

Declarant:

_____
500 Fifth Avenue
New York, New York 10110

Date of Declaration:

_____, _____

Prepared by:
Greenstein Starr Gerstein & Rinaldi LLP
Attorneys At Law
57 West 38th Street
New York, New York 10018
(212) 398-7900

The land affected by the within instrument lies in Section 1, Block 100, F/K/A Lot 3, N/K/A Lots _____ - _____ on the Tax Map of the Borough of Manhattan, County of New York, City of New York

INDEX TO DECLARATION

Article	Subject	Page
ARTICLE 1	DEFINITIONS	1
ARTICLE 2	SUBMISSION OF THE PROPERTY	1
ARTICLE 3	NAME OF THE CONDOMINIUM	1
ARTICLE 4	THE LAND	1
ARTICLE 5	THE PROPERTY AND THE BUILDING	2
ARTICLE 6	THE UNITS	2
ARTICLE 7	THE COMMON ELEMENTS	4
ARTICLE 8	DETERMINATION OF COMMON INTEREST AND RESIDENTIAL COMMON INTEREST	6
ARTICLE 9	USE OF UNITS	6
ARTICLE 10	EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS	7
ARTICLE 11	OTHER EASEMENTS	8
ARTICLE 12	ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD UNITS AND COMMERCIAL UNITS	10
ARTICLE 13	ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD	12
ARTICLE 14	POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD	12
ARTICLE 15	TERMINATION OF CONDOMINIUM	13
ARTICLE 16	COVENANT OF FURTHER ASSURANCES	13
ARTICLE 17	COVENANTS RUNNING WITH THE LAND	14
ARTICLE 18	AMENDMENTS TO THIS DECLARATION	15
ARTICLE 19	CONSENTS BY DECLARANT AND/OR SPONSOR	17
ARTICLE 20	PERSON TO RECEIVE SERVICE	17
ARTICLE 21	INCORPORATION BY REFERENCE	17
ARTICLE 22	WAIVER	17
ARTICLE 23	SEVERABILITY	17
ARTICLE 24	SUCCESSORS AND ASSIGNS	18
ARTICLE 25	CAPTIONS	18
ARTICLE 26	CERTAIN REFERENCES	18

EXHIBIT A - DESCRIPTION OF THE LAND

EXHIBIT B - DESCRIPTION OF THE LAND

EXHIBIT C - DESCRIPTION OF THE LAND

EXHIBIT D - DESCRIPTION OF THE LAND

EXHIBIT E - DESCRIPTION OF THE LAND

DECLARATION
OF
150 NASSAU CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

_____, a limited liability company organized under the laws of the State of____ _____, having an office at 500 Fifth Avenue, New York, New York 10110 ("Declarant"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2

SUBMISSION OF THE PROPERTY

Declarant hereby submits the Property to the provisions of the Condominium Act and pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

ARTICLE 3

NAME OF THE CONDOMINIUM

The Condominium shall be known as 150 Nassau Condominium.

ARTICLE 4

THE LAND

Included in the Property is the Land which is more particularly described in Exhibit A annexed hereto.

ARTICLE 5

THE PROPERTY AND THE BUILDING

5.1 Included in the Property is a building ("Building") containing 45 Residential Units, 1 Reserved Unit, 1 Retail Unit and 1 Garage Unit. The Building is a 22 story structure above grade with 1 cellar and 1 sub-cellar.

5.2 The floors of the Building are designated lobby through 22nd. All floor references in this Declaration are in accordance with such designations. The Building is classified as Type 1B, under the Building Code of the City of New York ("Building Code").

5.3 The Building's structure is steel framed with typical 12 inch flat firebrick arches with a concrete topping and tie rods spanning on 15 inch beams on the 1st, 2nd and 3rd floors and 12 inch beams on the other floors supported by double 15 inch girders. Lower roof structure (21st floor) consists of corrugated steel sheet arches with a concrete fill spanning on typical steel beam and girders. For the purpose of fireproofing the floor beams and girders are enclosed with floor firebrick (on the lower roof with wire lathing and mortar). The steel columns are covered with 4 inch brick and the steel cantilevers in the sub-cellar with wire lathing and plastered with heavy mortar to a thickness of 1 inch. The Building is supported on timber piles, American spruce, 10" to 14" diameter at head, driven to a depth of 10 to 25 feet bearing in fine red sand. The caps on top of piles are made of concrete base around pile tips, granite capping blocks underneath column, brick foundation piers with granite templates on base stone as a filler material.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate location in the Building; approximate square foot area; number of rooms; the portions of the Common Elements to which such Unit has immediate access; the portions, if any, of the Limited Residential Common Elements and Residential Common Elements and the Common Interest appurtenant to such Unit. The precise location of each Unit is shown on the Floor Plans.

6.2 Each Residential Unit consists of the area measured horizontally from the exterior side of the glass windows or the exterior walls (perimeter concrete columns and perimeter mechanical pipes included) to the centerline of any partitions, including concealed metal studs, blockwork, concrete columns and mechanical pipes and ducts that are in the interior walls and partitions separating one Unit from another Unit, corridors, stairs, elevators and other mechanical equipment spaces. Each Residential Unit consists of the area measured vertically from the top of the concrete floor to the underside of the concrete ceiling. However, any Common Elements located within a Residential Unit shall not be considered a part of such Residential Unit.

6.3 The Reserved Unit consists of the area measured horizontally from the exterior side of the glass windows or exterior walls (perimeter concrete columns and perimeter mechanical pipes included) to the centerline of any partitions, including concealed metal studs, blockwork, concrete columns and mechanical pipes and ducts that are in the interior walls and partitions separating the Reserved Unit from corridors, stair, elevators and other mechanical equipment spaces. The Reserved Unit consists of the area measured vertically from the top of the concrete floor of a portion of the lobby floor to the underside of the concrete ceiling of the 9th floor. However, any Common Elements located

within the Reserved Units shall not be considered a part of such Reserved Unit. The Reserved Unit also includes the 2 elevators servicing the Reserved Unit exclusively.

6.4 The Retail Unit consists of the area measured horizontally from the exterior side of the glass windows or the exterior walls (perimeter concrete columns and perimeter mechanical pipes included) to the centerline of any partitions, including concealed metal studs, blockwork, concrete columns and mechanical pipes and ducts that are in the interior walls and partitions separating the Retail Unit from corridors, stairs, elevators and other mechanical equipment spaces. The Retail Unit consists of the area measured vertically from the top of the concrete floor to the underside of the concrete ceiling. However, any Common Elements located within the Retail Unit shall not be considered a part of such Retail Unit. The Retail Unit also includes the windows (including panes, casements, glass and frames) and 1 elevator servicing the Retail Unit exclusively.

6.5 The Garage Unit consists of the area measured horizontally from the exterior side of the foundation or exterior walls (perimeter concrete columns and perimeter mechanical pipes included) to the centerline any partitions, including concealed metal studs, blockwork, concrete columns and mechanical pipes and ducts that are in the interior walls and partitions separating the Garage Unit from corridors, stairs, elevators and other mechanical equipment spaces. The Garage Unit consists of the area measured vertically from the top of the concrete floor of the subcellar to the underside of the concrete ceiling of the cellar. However, any Common Elements located within the Garage Unit shall not be considered a part of the Garage Unit. The Garage Unit also includes the access ramp from street level, car lift, car lift mechanical room and ship ladder providing access to that mechanical room.

6.6 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other entrance doors to such Unit, the interior walls, partitions, floors and floor coverings and plastered ceilings affixed, attached or appurtenant to such Unit, smoke detectors, window panes, fireplace, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, washers and dryers, heating, ventilating and air conditioning units (including the fans inside the units), heating equipment, ranges and other appliances, sinks, bathtubs, waterclosets and all other Facilities as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include all lighting and electrical fixtures and appliances within the Unit and any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the panel and serving or benefiting only that Unit.

6.7 Any Common Elements located within a Unit shall not be considered a part of such Unit.

6.8 Notwithstanding anything contained in this Article to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and (with respect to Residential Units) to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like), provided that no such installation shall impair the structural integrity, sound integrity and mechanical and electrical systems of such Unit or of the Building or violate Law.

6.9 As of the date of the filing of this Declaration with the Register's Office, fee simple absolute title shall automatically vest in Sponsor in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

THE COMMON ELEMENTS

7.1 The Common Elements consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements are comprised of the General Common Elements, the Residential Common Elements and the Limited Residential Common Elements.

7.2 The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) the Land and any improvements thereon, together with all easements, rights and privileges appurtenant thereto;

(ii) all foundations, columns, beams, supports, girders, exterior walls, interior walls, partitions, floors, window casements and frames (except for those which are part of the Retail Unit), roofs and ceilings in, on, or under the Building, separating a Unit from a General Common Element, and that portion of all such interior walls, partitions, floors and ceilings separating a General Common Element or a Commercial Unit from a Residential Unit and/or Residential Common Element and/or a Limited Residential Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such General Common Element or a Commercial Unit, as the case may be, to the extent that the same are not expressly included as part of the Residential Common Elements pursuant to the terms of Paragraph 7.3 below or the Limited Residential Common Elements pursuant to the terms of Paragraph 7.4 below or a Unit pursuant to the terms of Article 6 hereof;

(iii) all concrete floor slabs and concrete ceilings, stairway numbers 1,2,3,4,6, and 7, elevator number 2 and its shaft, pit and equipment room, all sidewalks, curbs, mechanical and electrical spaces, all fire staircases, landings and stairs, common storage spaces, entrances to, and exits from, the Building and spaces devoted to the use of persons employed with the operation of the Property (including the mechanical areas, cellar washroom, office and workshop space utilized by the Resident Manager and/or Building Staff), to the extent that the same are not expressly included as part of the Residential Common Elements pursuant to the terms of Paragraph 7.3 below or the Limited Residential Common Elements pursuant to the terms of Paragraph 7.4 below or a Unit pursuant to the terms of Article 6 hereof;

(iv) all central and appurtenant installations and Facilities for services such as power, light, telephone, communications, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems, which service both the Residential Units and the Commercial Units and/or both the General Common Elements, the Residential Common Elements and the Limited Residential Common Elements, to the extent that the same are not expressly included as a part of the Residential Common Elements pursuant to the terms of Paragraph 7.3 below or the Limited

Residential Common Elements pursuant to the terms of Paragraph 7.4 below or a Unit pursuant to the terms of Article 6 hereof; and;

(v) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property;

7.3 The Residential Common Elements consist of those portions of the Building, as well as those Facilities therein, either currently or hereafter existing for the exclusive common use of the Residential Units or of the Residential Unit Owners only. Without intending to limit the generality of the foregoing in any respect, the Residential Common Elements include:

(i) passenger/service elevators numbers ___ and ___ and their respective shafts, pits and equipment rooms and the residential hallways;

(ii) compactor room and its shafts and equipment;

(iii) the elevator lobby, vestibule, concierge station, valet room, mail room, mail boxes all of which are located on the ground floor of the Building which serve the Residential Units, exclusively;

(iv) all masonry walls, partitions, floors and ceilings in, on or under the Building, separating a Residential Unit from another Residential Unit or a Residential Common Element and that portion of all such masonry walls, partitions, floors and ceilings separating a Residential Common Element from a General Common Element or a Commercial Unit, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such Residential Common Element;

(v) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, hot and cold water distribution, heat, garbage disposal, master & cable television and other mechanical and electrical systems which serve the Residential Units and/or the Residential Common Elements and/or the Limited Residential Common Elements only; and

(vi) all interior portions of the Building, to the extent that the same are not expressly included as part of the General Common Elements pursuant to the terms of Paragraph 7.2 above or the Limited Residential Common Elements pursuant to the terms of Paragraph 7.4 below or a Unit pursuant to the terms of Article 6 hereof.

7.4 The Limited Residential Common Elements consist of all portions of the Land and Building (other than the Units) that are for the use of one or more specified Residential Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Limited Residential Common Elements include:

(i) the private Terraces adjoining the Penthouse which provide direct and private access from the interior of such Residential Unit, which Limited Residential Common Elements shall be for the exclusive use of such Residential Unit; and

(ii) the shared Terraces of the 21st floor providing exclusive access for the use of the Residential Units.

7.5 The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-Laws.

ARTICLE 8

DETERMINATION OF COMMON INTEREST AND RESIDENTIAL COMMON INTEREST

8.1 The undivided percentage interest of each Unit in the Common Elements is based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

8.2 The percentage interest of all Residential Units in the Residential Common Elements is apportioned in the same proportion that the Residential Unit at the date of this Declaration bears to the then aggregate Common Interests of all of the Residential Units in the Condominium.

ARTICLE 9

USE OF UNITS

9.1 As more particularly set forth in, and subject to the provisions of, the By-Laws, the Residential Units shall be used for residential purposes only. A Residential Unit owned or leased by an individual, corporation, partnership, fiduciary or any other entity (including, but not limited to, the United States government and any instrumentality thereof and foreign governments and any embassy, consulate, or other instrumentality thereof, any foreign government or any embassy, consulate or other instrumentality thereof) may only be occupied (unless the Condominium Board otherwise consents) by said individual, or an individual officer, director, stockholder or employee of such corporation, or by an individual partner or employee of such partnership, or by said individual fiduciary or (including directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries) or by an individual beneficiary of said fiduciary, or an individual principal or employee of such other entity, respectively, or by Family Members or guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Residential Unit by such Family Members or guests). Upon the prior written consent of Declarant or Sponsor (or, where there are no longer any Unsold Units, the Condominium Board), any Unsold Residential Unit may be used for professional purposes, or for any other lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for the Building, (2) applicable Law, (3) the use of such Unit does not adversely affect the use and enjoyment of neighboring or adjacent Units for residential purposes, and (4) the prior written permission of the Condominium Board which permission shall in no event be granted unless the Condominium Board affirmatively finds that the conditions in (1) through (3) above have been met. Offered Units may only be leased in accordance with the By-Laws and the Rules and Regulations. The foregoing restrictions shall not apply to Unsold Units.

9.2 The Commercial Units may be used for such purposes as are permitted by Law.

9.3 Notwithstanding Paragraph 9.2, for so long as the Garage Unit is operated as a parking facility, the Garage Unit Owner shall give actual occupants of the Residential Units priority in obtaining monthly parking space leases, over non-occupants, as further provided in the By-Laws.

9.4 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant, Sponsor or any Unsold Unit Owner, may without the permission of the Condominium Board, (1) grant permission for the use of any Unsold Unit or any portion of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for the Building or any other governmental regulations; (2) use any Unsold Units or any portion of an Unsold Unit as model Units and offices for the sale, lease, management, operation and promotion of the Unsold Units or for any other purpose, subject only to compliance with Law; and (3) lease an Unsold Unit or any portion of an Unsold Unit to third parties.

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS

10.1 Subject to the terms of the By-Laws and the Rules and Regulations, Declarant, Sponsor, the Unit Owners, all other permitted tenants and occupants of the Building, the Selling Agent, the Managing Agent, the Condominium Board and all officers, partners, employees, agents, guests, invitees, customers and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

10.2 Subject to the terms of the By-Laws and the Rules and Regulations, Declarant, Sponsor, the Residential Unit Owners, all other permitted tenants and occupants of Residential Units, the Selling Agent, the Managing Agent, the Condominium Board and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Residential Common Elements, and the Residential Common Elements shallbe subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the Residential Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so.

10.3 Subject to the terms of the By-Laws and the Rules and Regulations, the Reserved Unit Owner, all other permitted tenants and occupants of the Reserved Unit, and all officers, partners, employees, agents, guests, invitees, customer, and licensees of the foregoing shall have an easement for ingress and egress through, the portion of the Residential Common Elements located on the ground floor of the Building consisting of the rear corridor leading to a stairway, staff lockers and a toilet.

10.4 The Commercial Unit Owners shall have an easement, to the extent permitted by Law, to erect, maintain, repair and replace, from time to time, one or more signs, of such size and content as the Commercial Unit Owners shall determine, on, about, or adjacent to their respective Units (including on the exterior walls of the Building) for the purpose of advertising the sale or lease of all or any portion of the Commercial Units and the operation of any business of a tenant or occupant of all or any portion of the Commercial Units.

10.5 Each Residential Unit Owner whose Residential Unit has one or more appurtenant Limited Residential Common Elements shall have an easement for the use thereof. The Residential Units having the same are indicated on Exhibit B.

10.6 Notwithstanding anything to the contrary contained in Section 10.1, or 10.4 hereof, Sponsor and its invitees, licensees, contractors, employees, agents and tenants shall have an easement in, over, under, through and upon the Common Elements to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units and shall have the right to use any one or more Unsold Units as sales, rental and/or management offices and/or as model units. Such Unsold Units shall remain Residential Units or Commercial Unit(s), as the case may be, within the meaning of this Declaration, the By-Laws and the Condominium Act, and shall not comprise a part of the Common Elements. In addition, Declarant and Sponsor shall have the right, to the extent permitted by Law, to use one or more portions of the Common Elements (including but not limited to, lobbies, hallways and corridors), as designated by Sponsor in its sole discretion, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units, which right shall include, without limitation, the right to place "for sale", "for rent" and other signs and promotional materials, of such size and content as Declarant and/or Sponsor shall determine.

ARTICLE 11

OTHER EASEMENTS

11.1 Subject to the terms of the By-Laws and to the Rules and Regulations, each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve his Unit. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. All easements and rights of access described in this Section shall be exercised by the Condominium Board on behalf of all Unit Owners. The Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. Such easements and rights of access shall be exercised by the Condominium Board in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than two days' notice, except that no notice will be necessary in the case of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building). Plans and Specifications with respect to any such proposed work shall be submitted by the Unit Owner who has requested that the Condominium Board exercise any such easement or right of access, to the Unit Owner whose Unit is to be accessed and all work is to be pursued diligently to completion. Notwithstanding any other provision of this Declaration, the By-Laws or the Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.2 Declarant or Sponsor for so long as it shall own any Unsold Unit, each of the Commercial Unit Owners with respect to their respective Commercial Units and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Declarant or Sponsor, the Commercial Unit Owners or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that the granting of such additional

utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business carried on within the Commercial Units or with the use of the Residential Units for their permitted purposes, and shall not result in the imposition of anymechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business carried on within the Commercial Units or with the use of the Residential Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-Laws or the Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.3 Declarant or Sponsor and its contractors, employees and agents for so long as Declarant or Sponsor shall own any Unsold Unit, shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Unsold Units.

11.4 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

11.5 Subject to the terms of the By-Laws and the Rules and Regulations, each Commercial Unit Owner shall have an easement to install, operate, maintain, repair, alter, rebuild, restore and replace their respective Commercial Unit, and any pipes, wires, ducts, vents, cables, conduits or other lines, equipment or facilities forming a part of or relating to their respective Commercial Unit located in, over, under, through or upon the Common Elements or elsewhere on the Property; provided that access to the Common Elements or other portions of the Property in furtherance of such easement shall be exercised in such a manner as will not unreasonably interfere with the use of the Common Elements and such other portions of the Property for their permitted purposes.

11.6 The Condominium and Building shall be designated and known as the 150 Nassau Condominium. Declarant and Sponsor shall own and control all rights and interest, appurtenant to the name of the Condominium and/or the Building. Only Declarant or Sponsor shall have the right to change or assign the name of the Condominium subject to the consent of the Condominium Board. Sponsor shall have an exclusive easement for so long as the Condominium shall remain in existence to erect, maintain, repair and replace, from time to time, a plaque and/or sign ("Plaque"), without charge, on the exterior portion of the Building setting forth the name and address of Sponsor, or such other information as the Sponsor desires in its sole discretion. Only Sponsor shall the right to remove the Plaque, unless mandated by Law.

11.7 If (a) any portion of the Common Elements encroaches upon any Unit or upon any other portion of the Common Elements, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachment shall hereafter occur as a result of (i) the settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant or Sponsor in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

11.8 In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements made with the City of New York or with any utility companies or other Persons in effect prior to the recording of this Declaration.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD UNITS AND COMMERCIAL UNITS

12.1 Except to the extent prohibited by Law, Declarant or Sponsor shall have the right, without the vote or consent or approval of the Condominium Board, other Unit Owners, the Selling Agent, the Managing Agent or the Mortgage Representatives, if any, to:

(i) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units and their appurtenant Limited Residential Common Elements, if any;

(ii) change the layout of, or number of rooms in, any Unsold Units;

(iii) change the size and/or number of Unsold Units by (w) subdividing one or more Unsold Units into two or more separate Units, (x) combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, (y) altering the boundary walls between any Unsold Units, or (z) otherwise, including incorporating Residential Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Units which exclusively benefit an Unsold Unit into such Unsold Unit; and

(iv) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clauses their Common Interests and Residential Common Interest provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon any Unsold Unit:

(a) no physical modifications shall be made to any other Unit and the Common Interest and Residential Common Interest (other than Unsold Units), as the case may be, or interior dimensions of any other Units (other than Unsold Units) shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(b) Declarant or Sponsor shall comply with Law and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(c) such alteration, addition improvement, or change shall not jeopardize the soundness or structural integrity of any part of the Building.

Notwithstanding the foregoing, however, the aggregate amounts of both the Common Interests of all the Units and the Residential Common Interests of all Residential Unitsshall always remain at 100%, and no reapportionment of the Common Interest or Residential Common Interest appurtenant to any Unit, as the case may be, shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest and, if applicable, Residential Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered, at Declarant or Sponsor's election, by Declarant, Sponsor, the Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium

Board. The provisions of this Article 12 may not be added to, amended, modified, or deleted without the prior written consent of Declarant or Sponsor. By written permission of the Condominium Board which permission, shall not be unreasonably withheld, any other Unit Owner, may be given with respect to his Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Units. Notwithstanding the other provisions of this Article, no reapportionment of the Common Interests appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered, at Declarant or Sponsor's election, by Declarant, Sponsor, the Managing Agent or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified or deleted without the prior written consent of Declarant or Sponsor.

12.2 Except to the extent prohibited by Law, each Commercial Unit Owner shall have the right, without the consent or approval of the Condominium Board, the Unit Owners, the Selling Agent, the Managing Agent, or the Mortgage Representatives, if any, to:

(i) make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon their respective Commercial Units;

(ii) change the layout of, or number of rooms in their respective Commercial Units;

(iii) change the size of their respective Commercial Units by (w) subdividing the Commercial Unit into 2 or more separate Units, (x) combining 2 or more separate Units resulting from such subdivision into 1 or more Units, (y) altering the boundary walls of 2 or more separate Units resulting from such subdivision or combination, or (z) otherwise; and

(iv) if appropriate, reapportion among the Commercial Units affected by such change in size or number pursuant to the preceding clause (iii) their respective Common Interests; provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon the Commercial Unit:

(a) no physical modification shall be made to any other Unit, and the Common Interest, as case may be, or interior dimensions of any other Unit shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(b) the Commercial Unit Owner shall comply with Law and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(c) such alteration, addition, improvement, or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

In the event of the subdivision of any Commercial Unit into separate Commercial Units, the owner of each such newly created Commercial Unit shall have all the rights, privileges and benefits, and shall be subject to all the obligations of the original Commercial Unit Owner, as provided in this Declaration, the By-Laws and the Rules and Regulations; provided, however, that the owners of such newly created Commercial Units shall collectively continue to be entitled to designate 3 members (1 member to be designated by the Garage Unit Owner(s), 1 member to be designated by the Reserved Unit Owner(s) and 1 member to be designated by the Retail Unit Owner(s)) to the Condominium Board.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interest of all the Units and the Residential Common Interests of all Residential Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to the Commercial Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered, at the Commercial Unit Owner's election, by the Commercial Unit Owner, the Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article 12 may not be added to, amended, modified, or deleted without the prior written consent of the Commercial Unit Owner.

ARTICLE 13

ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD

If (a) any Unit Owner surrenders his Unit, together with its Appurtenant Interests to the Condominium Board pursuant to the terms of the By-Laws or Section 339-x of the Condominium Act, or (b) the Condominium Board, pursuant to the By-Laws or otherwise, either acquires, leases or purchases a Unit, together with its Appurtenant Interests, at a foreclosure or other sale, then, in any such event, title to any such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

ARTICLE 14

POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD

14.1 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, (i) Declarant or Sponsor, to amend the Condominium Documents pursuant to the terms of Article 18 hereof, and (ii) the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and instituting tax certiorari proceedings on behalf of the Unit Owners for the reduction of the assessed valuation of their Units, such Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire or lease any Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, or surrender the same or acquire any Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(c) convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Unit so acquired or to sublease any Unit so leased; and

(d) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate or (3) any protests and tax certiorari proceeding affecting Units.

14.2 In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Declarant or Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Power of Attorney in the form set forth as an Exhibit E to this Declaration.

ARTICLE 15

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of 100% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any. In the event said withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his share of such net proceeds all liens on his Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 16

COVENANT OF FURTHER ASSURANCES

16.1 Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Condominium Board or otherwise, shall, upon prior reasonable written request at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

16.2 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which the Condominium Board, Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to this Declaration, or (ii) to deliver a written notice to the Person requesting such execution, acknowledgement or delivery, and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then the

Condominium Board or other Person is hereby authorized as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, Condominium Board or other Person.

16.3 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge and deliver pursuant to this Declaration at the request of Declarant or Sponsor or (ii) to deliver a written notice to Declarant or Sponsor and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then Sponsor is hereby authorized, as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, the Condominium Board or other Person, as the case may be.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and his heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

17.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the

Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to Section 17.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

AMENDMENTS TO THIS DECLARATION

18.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant, Sponsor or the Commercial Unit Owners, any provision of this Declaration affecting the (i) General Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative vote of at least 75% in number and in Common Interest of all Unit Owners, and (ii) Residential Common Elements or all Residential Unit Owners may be amended, modified or deleted by affirmative vote of at least 66 2/3% in number and Common Interest of all Residential Unit Owners, taken in accordance with the provisions of the By-Laws; provided such amendment, modification, addition or deletion does not adversely affect the Declarant, Sponsor or Commercial Unit Owner as set forth in Articles 18.5 and 18.6, provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant, Sponsor or the Commercial Unit Owners, no amendment, modification, addition or deletion shall be effective without the written consent of the Mortgage Representatives (as defined in the By-Laws), if any, which consent shall not be unreasonably withheld or delayed. No such amendment, modification, addition or deletion shall be effective until recorded in the Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant, Sponsor or the Commercial Unit Owners, any such amendment, modification, addition or deletion may be executed by the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, and the Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Subject to the rights of Declarant and Sponsor, under Articles 9,10,11,12,13,14 and 15 of this Declaration, Articles 9,10,11,12,13,14 and 15 of this Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if any required, of the Mortgage Representatives, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby, approve such amendment, modification, addition or deletion in the manner set forth above.

18.2 Declarant or Sponsor shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at Sponsor's or the Reserved Unit Owner's sole option, to require the Condominium Board or any other Unit Owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments to this Declaration (including, but not limited to, Exhibit B hereto), together with such documents, plans and maps as Declarant or Sponsor deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Units and/or the reapportionment of the Common Interest of the affected Unsold Units resulting therefrom made by Declarant or Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Declarant or Sponsor to make a loan secured by a mortgage on any Unsold Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant or Sponsor to insure title to any Unsold Unit, provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this Section shall not (1) change the Common Interest of any Unit other than a Unit owned by Declarant or Sponsor, (2) require a material, physical modification of any Unit other than a Unit ownedby Declarant or Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in subparagraph (1) or (2) of this Section) or the holder of such mortgage (in the event described in subparagraph (3) of this Section) shall consent thereto by joining in the execution of such amendment.

18.3 Each Commercial Unit Owner shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record in the Register's Office or elsewhere, if required by Law, one or more amendments to this Declaration (including, without limitation, to Exhibit B hereto), together with such documents, plans and maps as such Commercial Unit Owner deems appropriate to effectuate the same to reflect any changes in such Commercial Units and/or the reapportionment of the Common Interest of the affected Commercial Unit resulting therefrom made by the Commercial Unit Owner in accordance with the terms of Article 12 hereof; provided, however, that any such amendment shall not (1) change the Common Interest of any other Unit, or (2) require a physical modification of any other Unit, or (3) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender.

18.4 Any amendment to this Declaration may be executed; (i) if on behalf of Declarant or Sponsor pursuant to the terms of Section 18.2 hereof, by any principal of Declarant or Sponsor, or (ii) if on behalf of a Commercial Unit Owner pursuant to the terms of Section 18.3 hereof, by such Commercial Unit Owner or (iii) if on behalf of the Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-Laws) in writing without a meeting, in which Certificate shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

18.5 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be effective in any respect against Declarant, Sponsor or any Commercial Unit Owner if the same would (i) unreasonably interfere with the sale, lease, or other disposition of such Unit Owner's respective Unit, (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Declarant, Sponsor or Commercial Unit Owners, unless the Declarant or Sponsor or the affected Commercial Unit Owner shall consent to such amendment in writing, or (iii) impose any discriminatory charge or fee against Declarant, Sponsor or Commercial Unit Owners, unless the Declarant, Sponsor or the affected Commercial Unit Owner shall consent to such amendment in writing.

18.6 The provisions of this Article may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant if the same relate to Declarant or with out the consent of Sponsor and if the same relate to Sponsor and without the consent of an affected Commercial Unit Owner if the same relate to such Commercial Unit Owner.

ARTICLE 19

CONSENTS BY DECLARANT AND/OR SPONSOR

When the consent, approval, satisfaction, or permission of Declarant and/or Sponsor is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when such party no longer owns any Units.

ARTICLE 20

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York, is hereby designated to receive service of process in any action which may be brought against the Condominium.

ARTICLE 21

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 22

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 23

SEVERABILITY

Subject to the provisions of Section 17.2 and 17.3 of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium

Documents shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provisions of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

ARTICLE 24

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Declarant or Sponsor as set forth herein shall inure to the benefit of and be binding upon any successor or assignee or designee of Declarant or Sponsor, as the case may be, or, with the consent of Declarant or Sponsor, as the case may be, any transferee of all then Unsold Units. Declarant or Sponsor shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interest therein, whether by merger, consolidation, lease, assignment, or otherwise.

ARTICLE 25

CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 26

CERTAIN REFERENCES

26.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

26.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

26.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ___ day of _____, _____.

DECLARANT:

_____

By: _____
Name:
Title:

(ACKNOWLEDGEMENT)

EXHIBIT A

DESCRIPTION OF THE LAND

[TO BE INSERTED]

EXHIBIT B

DESCRIPTION OF THE UNITS

Unit Designation	# of Rooms Bedrooms/ Baths	Location in Portion of Bldg. Facing Direction Set Forth Below	Approx. Area Sq. Ft.	Approx Sq. Ft. of Limited Common Elements	Tax Lot Number	Percentage of Common Interest	Percentage of Residential Common Interest	Common Elements to which Unit has Immediate Access

EXHIBIT C

DEFINITIONS

For convenience of presentation, general definitions of certain of the terms used in the Plan are set forth below, which definitions are subject in most cases to the more particular definitions of such terms set forth in the Declaration, the By-Laws and the Condominium Act. They include the following:

"Adverse Effect", or "adverse effect", as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Unit Owners, that such action or change could, if realized, (i) increase the Common Charges payable by such Unit Owner or Unit Owners, (ii) materially interfere with such Unit Owner's access to his Unit, (iii) obstruct or degrade the view from the windows of such Unit Owner's Unit or (iv) otherwise materially diminish such Unit Owner's use and enjoyment of his Unit.

"Appurtenant Interest" shall mean, with respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Building" shall mean the building known as 150 Nassau Condominium and located at 150 Nassau Street, New York, New York, in which the Units of the Condominium are located.

"Buildings Department" shall mean the Department of Buildings of The City of New York or any successor agency.

"By-Laws" shall mean the by-laws governing the operations of the Condominium, which are set forth as Exhibit D to the Declaration, as the same may be amended from time to time.

"Closing of Title" or "Closing" shall mean the date upon which, among other things, a Unit and its appurtenant Common Interest is conveyed pursuant to a Purchase Agreement.

"Commercial Unit" shall mean either the Retail Unit, the Reserved Unit or the Garage Unit, which Units are more particularly described in Article 6 of, and Exhibit B to, the Declaration and in the Floor Plans. All such Units are, collectively, referred to as the "Commercial Units".

"Commercial Unit Owner" shall mean the Owner of a Commercial Unit at the time in question. All such Unit Owners are, collectively, referred to as the "Commercial Unit Owners".

"Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws or in the First Year's Budget) to meet the Common Expenses.

"Common Elements" shall mean the Property, other than the Units themselves, being comprised of the General Common Elements, Residential Common Elements and the Limited Residential Common Elements.

"Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve, or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the

Common Charges for any prior year(s); and (iii) generally, the conduct of the affairs of the Condominium. Common Expenses shall be either General Common Expenses attributable to all Unit Owners or Residential Common Expenses attributable to Residential Unit Owners only.

"Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appurtenant to each Unit, as determined in accordance with the Declaration. The total of all Common Interest percentages appurtenant to all Units equals 100%. The Common Interest attributable to each Unit is set forth on Exhibit B annexed to the Declaration.

"Condominium" shall mean the 150 Nassau Condominium which was established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

"Condominium Act" shall mean the New York Condominium Act, as amended from time to time, and presently found in the New York Real Property Law, Article 9-B.

"Condominium Board" shall mean the board of managers of the Condominium who will manage the affairs of the Condominium.

"Condominium Documents" shall mean the Declaration, the By-Laws and the Rules and Regulations of the Condominium.

"Declarant" shall mean 150 Nassau Associates LLC and any other person or entity designated by Declarant.

"Declaration" shall mean the instrument creating the Condominium, as the same may be amended from time to time.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Ownersor necessary or convenient for the existence, maintenance, or safety of the Property.

"Family Members" shall mean the spouse, children (natural and adopted), stepchildren, grandchildren, siblings, nieces, nephews, parents, parents-in-law and grandparents of a Unit Owner who reside in such Unit Owner's Unit.

"Filing Date" shall mean the date a letter is issued by the Department of Law accepting the Plan or an amendment to the Plan, as the case may be, for filing.

"First Closing" shall mean the Closing of Title with respect to the first Residential Unit to be conveyed to a Purchaser pursuant to the terms of the Plan.

"First Year's Budget" shall mean the Section of the Plan entitled "Schedule B - First Year's Budget". The First Year's Budget is sometimes referred to herein as "Schedule B".

"Floor Plans" shall mean the floor plans of the Units certified by a professional engineer or licensed architect, filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

"Force Majeure" shall mean delays caused by weather, casualty, labor, difficulties, (including work stoppages and strikes), late delivery or inability to obtain materials, government restrictions or other events beyond Sponsor's reasonable control.

"Garage Unit" shall mean the Garage Unit in the Building, which unit is more particularly described in the Declaration and the Floor Plans, together with its appurtenant Common Interest.

"Garage Unit Owner" shall mean the Owner of the Garage Unit at the time in question.

"General Common Elements" shall mean those certain portions of the Property (other than the Units), as well as those Facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in the Declaration and the Floor Plans.

"General Common Expense" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the General Common Elements; or (ii) the establishment and/or maintenance of a general operating reserve fund for working capital, for replacements with respect to the General Common Elements.

"Initial Control Period" shall mean the period ending on the earlier to occur of: (i) the Closing of Title with purchasers under the Plan to Units having at least 90% of the aggregate Common Interest appertaining to all Offered Units, or (ii) 3 years after the First Closing.

"Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust, or a group of lenders which shall include one of the foregoing, or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system, or (iii) Sponsor.

"Institutional Mortgage" shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is either Sponsor or an Institutional Lender.

"Insurance Trustee" shall mean a bank or a trust company, in either event having both an office in the City of New York and a capital surplus and undivided profits of $500,000,000 or more, from time to time appointed to serve as such by the Condominium Board.

"Land" shall mean the land located in Section 1 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York as Block 100, Lot 3 and more particularly described on Exhibit A to the Declaration.

"Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City, County and Borough governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public or quasi-public authorities having jurisdiction over the Property and/or the Condominium which are applicable at the time in question and/or the direction of any public officer pursuant to Law.

"Limited Residential Common Elements" shall mean those portions of the Property (other than the Units, the General Common Elements and the Residential Common Elements) existing for the use and enjoyment of certain Residential Unit Owners or one or more specified Residential Units to the exclusion of all other Unit Owners, as more particularly described in the Declaration and Exhibit B thereto.

"Majority of Unit Owners" shall mean those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the terms of Section 4.8 of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of Unit Owners at which a quorum is present.

"Managing Agent" shall mean the managing agent or manager of the Condominium at the time in question.

"Mortgage Representatives" shall mean the representatives of the holders of all mortgages encumbering Units, designated by the holders of Institutional Mortgages in accordance with the terms of paragraph (B) of Section 8.6 of the By-Laws.

"Permitted Encumbrances" shall mean those matters encumbering title to a Unit subject to which a Purchaser agrees to take title.

"Permitted Mortgage" shall mean a first mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws.

"Permitted Mortgagee" shall mean any holder of a Permitted Mortgage at the time in question.

"Person" shall mean any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

"Plan" shall mean that certain condominium offering plan relating to the Property, as accepted for filing by the Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York and any amendments thereto.

"Plans and Specifications" shall mean the plans and specifications for the construction of the Building which (to the extent required by Law) have been or will be filed with the Buildings Department and which may from time to time be amended in accordance with the provisions of the Plan.

"Property" shall mean the Land, the Building (and any structures attached thereto), all the improvements erected or to be erected on the Land, all easements, rights and appurtenances pertaining thereto and all other property, real, personal, or mixed, used or intended to be used in connection therewith.

"Register's Office" shall mean the Office of the Register of the City of New York of the County in which the Property is located.

"Reserved Unit" shall mean any the Reserved Unit in the Building, which Unit is more particularly described in the Declaration and the Floor Plans, together with its appurtenant Common Interest.

"Reserved Unit Owner" shall mean any Owner of the Reserved Unit at the time in question.

"Residential Common Elements" shall mean those portions of the Common Elements which are available for common use by all Residential Unit Owners.

"Residential Common Expenses" shall mean all costs and expenses to be incurred generally by the Residential Unit Owners pursuant to the Declaration and/or By-Laws in connection with (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Residential Common Elements and/or the Limited Residential Common Elements; or (ii) the establishment and/or maintenance of operating reserve fund for working capital, for replacements with respect to the Residential Common Elements and/or Limited Residential Common Elements.

"Residential Unit" shall mean any of the Residential Units located in the Building, which Units are more particularly described in the Declaration and in the Floor Plans, together with its appurtenant Common Interest and Residential Common Interest. All such Residential Units are, collectively, referred to as the "Residential Units".

"Residential Unit Owner" shall mean any Unit Owner of a Residential Unit at the time in question. All such Unit Owners are, collectively, referred to as the "Residential Unit Owners".

"Residential Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Common Elements. The total of all Residential Common Interest percentages appurtenant to all Residential Units equals 100%. The Residential Common Interests are the basis for determining a Residential Unit Owner's liability for his share of the Common Expense. The Residential Common Interest attributable to each Residential Unit is set forth on Exhibit B annexed to the Declaration.

"Retail Unit" shall mean the Retail Unit in the Building, which Unit is more particularly described in the Declaration and in the Floor Plans, together with its appurtenant Common Interest.

"Retail Unit Owner" shall mean any Unit Owner of a Retail Unit at the time in question. All such Unit Owners are, collectively, referred to as the "Retail Unit Owners".

"Rules and Regulations" shall mean the rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

"Sales Office" shall mean the sales office for the Sponsor or Selling Agent, at a location to be designated by either Sponsor or Selling Agent from time to time. The Sales Office will initially be located at 150 Nassau Street, New York, New York .

"Selling Agent" shall mean the selling agent named in the Plan or any successor selling agent at the time in question.

"Special Assessments" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws.

"Sponsor" shall mean 2 Spruce Street LLC and any other person or entity designated by Sponsor.

"Terrace" shall mean a private or shared terrace, balcony or garden appurtenant to a Unit or a group of Units. All such terraces, balconies or gardens are, collectively, referred to as the "Terraces".

"Unit" shall mean any "Unit", as such term is defined in Condominium Act, located in the Building, which Units are more particularly described in the Declaration and in the Floor Plans, together with its appurtenant Common Interest (and/or Residential Common Interest). All such Units are, collectively, referred to as the "Units".

"Unit Owner" shall mean any Unit Owner of a Unit at the time in question. All such Unit Owners are, collectively, referred to as the "Unit Owners".

"Unsold Unit" shall mean to the extent not specifically excluded, any Unsold Offered Unit or Reserved Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor at the time in question.

"Unsold Unit Owner" shall mean any Person (including Sponsor, if Sponsor owns any Unsold Unit) who holds fee title, of record, to one or more Units at the time in question. All such Unit Owners are, collectively, referred to as the "Unsold Unit Owners".

CONDOMINIUM BY-LAWS

EXHIBIT D

TO THE DECLARATION

BY-LAWS

OF

150 NASSAU CONDOMINIUM

Prepared by:

GREENSTEIN STARR GERSTEIN & RINALDI LLP
ATTORNEYS AT LAW
57 WEST 38th STREET
NEW YORK, NEW YORK 10018
(212) 398-7900

INDEX TO BY-LAWS

ARTICLE 1 GENERAL 1
Section 1.1 Purpose 1
Section 1.2 Definitions 1
Section 1.3 Applicability of By-laws 1
Section 1.4 Application of By-laws 1
Section 1.5 Principal Office of the Condominium 1

ARTICLE 2 CONDOMINIUM BOARD 1
Section 2.1 General 1
Section 2.2 Status of the Condominium Board 2
Section 2.3 Principal Office of the Condominium Board 2
Section 2.4 Powers and Duties of the Condominium Board 2
Section 2.5 Certain Limitations on the Powers of the Condominium Board 5
Section 2.6 Exercise and Delegation of Powers and Duties 6
Section 2.7 Number, Election and Qualification of Members 6
Section 2.8 Term of Office of Members 7
Section 2.9 Removal and Resignation of Members 7
Section 2.10 Vacancies 8
Section 2.11 Organizational Meeting of the Condominium Board 8
Section 2.12 Regular Meetings of the Condominium Board 8
Section 2.13 Special Meetings of the Condominium Board 8
Section 2.14 Waiver of Notice of Meetings 8
Section 2.15 Quorum of the Condominium Board 9
Section 2.16 Conduct of Meetings 9
Section 2.17 Decisions by the Condominium Board 9
Section 2.18 Compensation of Members 10
Section 2.19 Common or Interested Members of the Condominium Board 10
Section 2.20 Liability of Members of the Condominium Board 10

ARTICLE 3 OFFICERS 11
Section 3.1 General 11
Section 3.2 President 11
Section 3.3 Vice President 11
Section 3.4 Secretary 11
Section 3.5 Treasurer 11
Section 3.6 Election, Term of Office and Qualification of Officers 12
Section 3.7 Removal and Resignation of Officers 12
Section 3.8 Vacancies 12
Section 3.9 Compensation of Officers 12
Section 3.10 Indemnification of Officers 12

ARTICLE 4 UNIT OWNERS 12
Section 4.1 Annual Meetings of the Unit Owners 12
Section 4.2 Special Meetings of the Tower Unit Owners 12
Section 4.3 Place of Meetings 13
Section 4.4 Notice of Meetings 13

Section 4.5 Quorum of the Unit Owners 13
Section 4.6 Conduct of Meetings 13
Section 4.7 Order of Business 13
Section 4.8 Voting 14
Section 4.9 Election of Members of the Condominium Board 14
Section 4.10 Designation of Members to the Condominium Board 15
Section 4.11 Action Without a Meeting 15
Section 4.12 Title to Units 15
Section 4.13 Contractual Liability of Unit Owners 16

ARTICLE 5 OPERATION OF THE PROPERTY 16
Section 5.1 Maintenance and Repairs 16
Section 5.2 Alterations, Additions, Improvements, or Repairs in and to Units 18
Section 5.3 Alterations, Additions, or Improvements to the Common Elements 20
Section 5.4 Insurance 20
Section 5.5 Casualty or Condemnation 22
Section 5.6 Use of the Property 25
Section 5.7 Use of the Units 25
Section 5.9 Rights of Access 27
Section 5.10 Modification of the Rules and Regulations 28
Section 5.11 Real Estate Taxes 28
Section 5.14 Fuel 28
Section 5.15 Water Charges and Sewer Rents 29
Section 5.16 Record and Audits 29

ARTICLE 6 COMMON CHARGES 29
Section 6.1 Determination of Common Expenses and Fixing of Common Charges 29
Section 6.2 Payment of Common Charges 31
Section 6.3 Statement of Common Charges 32
Section 6.4 Common Charge Deposit for Foreign Owner 32
Section 6.5 Default in Payment of Common Charges 33

ARTICLE 7 SELLING AND LEASING OF UNITS; ASSIGNMENT OF LICENSES 34
Section 7.1 General 34
Section 7.2 Right of First Refusal 34
Section 7.3 Acceptance of Offer 35
Section 7.4 Failure to Accept Offer 36
Section 7.5 Termination of, and Exceptions to, the Right of First Refusal 36
Section 7.6 No Severance of Ownership 37
Section 7.7 Payment of Common Charges 38
Section 7.8 Power of Attorney 38
Section 7.9 Gifts and Devises, *Etc* 38
Section 7.10 Commencement of Time 38
Section 7.11 Costs and Expenses 38

ARTICLE 8 MORTGAGING OF UNITS 38
Section 8.1 General 38
Section 8.2 Restrictions on Mortgaging 38
Section 8.3 Notice of Unpaid Common Charges and Default 39

Section 8.4 Performance by Permitted Mortgagees 39
Section 8.5 Examination of Books 39
Section 8.6 Consent of Mortgagees; Designation of Mortgage Representatives 39

ARTICLE 9 CERTAIN REMEDIES 40
Section 9.1 Self Help 40
Section 9.2 Abatement and Enjoinment 40
Section 9.3 Remedies Cumulative 41
Section 9.4 Costs and Expenses 41

ARTICLE 10 ARBITRATION 41
Section 10.1 Procedure 41
Section 10.2 Variation by Agreement 41
Section 10.3 Binding Effect 42
Section 10.4 Costs and Expenses 42

ARTICLE 11 NOTICES 42
Section 11.1 General 42
Section 11.2 Waiver of Service of Notice 43

ARTICLE 12 AMENDMENTS TO BY-LAWS 43
Section 12.1 General 43
Section 12.2 Special Amendments 43

ARTICLE 13 FURTHER ASSURANCES 44
Section 13.1 General 44
Section 13.2 Failure to Deliver or Act 44

ARTICLE 14 MISCELLANEOUS 45
Section 14.1 Inspection of Documents 45
Section 14.2 Waiver 45
Section 14.3 Conflict 45
Section 14.4 Severability 45
Section 14.5 Successors and Assigns 45
Section 14.6 Gender 46
Section 14.7 Captions 46

ARTICLE 15 TAX STATUS AS A HOMEOWNERS ASSOCIATION 46
Section 15.1 General 46
Section 15.2 Organization 46
Section 15.3 Inurement 46
Section 15.4 Residential Use 46

BY-LAWS

ARTICLE 1

GENERAL

Section 1.1 *Purpose.* The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is more particularly described in Exhibit A to the Declaration; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part. The purpose of the Condominium is to carry on the acquisition, construction, management, maintenance and care of the Common Elements and to perform related functions with respect to the other portions of the Property.

Section 1.2 *Definitions.* All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 *Applicability of By-Laws.* These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 *Application of By-Laws.* All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5 *Principal Office of the Condominium.* The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2

CONDOMINIUM BOARD

Section 2.1 *General.* As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and

shall be, the Agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-Laws.

Section 2.2 *Status of the Condominium Board.* Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 *Principal Office of the Condominium Board.* The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 *Powers and Duties of the Condominium Board*

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith, (a) the purchase and leasing of supplies, equipment and material, and (b) the employment, compensation and dismissal of personnel;

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a Condominium;

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Condominium Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(iv) to adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated CommonExpenses for the ensuing fiscal year; and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

(v) to approve the amount and the means and methods of payment of, and collection of, the Common Charges and Special Assessments from the Unit Owners; provided, however, that in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the General Common Elements be utilized to defray any Residential Common Expenses and in no event shall Common Charges or Special

Assessments or other funds received by the Condominium Board in connection with the Residential Common Elements be utilized to defray any General Common Expenses;

(vi) to borrow money on behalf of the Condominium in accordance with Section 339-jj of the Real Property Law when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) the affirmative consent of at least 75% of the members of the Condominium Board shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the General Common Elements, the affirmative consent of at least 75%, in aggregate Common Interest, of all Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Residential Common Elements and/or the Limited Residential Common Elements, the affirmative consent of at least 75%, in aggregate Residential Common Interest, of all Residential Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years) and the Commercial Unit Owners will not be liable for the repayment of any portion of such loan; (d) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (e) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest or Residential Common Interest, as applicable, bears to the aggregate Common Interests of all Unit Owners or Residential Common Interests of all Residential Unit Owners, as applicable, shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file against such Unit Owner's Unit;

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor which shall at no time be less than two and that each check drawn on such account shall need at least two signatures;

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses, and (b) the making of restorations, additions, alterations and improvements to the Common Elements;

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof;

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners (except as otherwise provided herein); (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property;

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of

condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws;

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Condominium Board, but in no event less than $100,000, for: (a) all members of the Condominium Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses;

(xiii) to accept the surrender of any Offered Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners;

(xiv) to purchase, lease, or otherwise acquire Units offered for sale, lease or assignment by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Residential Unit Owners but only with the consent of a Majority of Unit Owners;

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise and on behalf of all Unit Owners but only with the consent of a Majority of Unit Owners;

(xvi) to adopt and amend the Rules and Regulations and to levy and authorize collection of fines against Unit Owners for violations of the Rules and Regulations and these By-Laws (any such fines and fees shall be deemed to constitute Common Charges payable by Unit Owners of the Unit against which they are levied);

(xvii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

(xviii) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and By-Laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws, and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and By-Laws;

(xix) to organize corporations to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a Condominium;

(xx) to execute, acknowledge and deliver: (a) any and all declarations (including a declaration of zoning lot) or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building, and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate;

(xxi) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same;

(xxii) to prepare, execute, acknowledge and institute on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax assessments and tax certiorari proceedings with respect to all Units and to assess any costs incurred thereby as a Common Expense;

(xxiii) to commence summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or Unit Owners, as the case may be, against an authorized guest and/or a Tenant of a Unit Owner if such authorized guest and/or tenant does not conform to the Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or Tenant, including reasonable attorney's fees, shall be borne by the Unit Owner;

(xxiv) to impose move-in fees and charges and transfer fees in connection with the sale or lease of a Residential Unit, provided no such fees or charges or other conditions of transfer or lease may be imposed upon Sponsor or the Commercial Unit Owners;

(xxv) to lease and maintain a Residential Unit or other dwelling for the Resident Manager and otherwise deal in any way with respect to such dwelling, including without limitation, the negotiation and execution of a lease on behalf of all Unit Owners with respect to the leasing of such unit from Declarant, Sponsor or another landlord; and

(xxvi) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 *Certain Limitations on the Powers of the Condominium Board.*

(A) Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor shall continue to own any Unsold Residential Unit, the Condominium Board may not, without Sponsor's prior written consent:

(i) make any addition, alteration, or improvement to the Common Elements or to any Residential Unit, unless the same shall be required by Law; or

(ii) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency, or surplus fund; or

(iii) increase or decrease the number, or change the kind of, employees provided for in the First Year's Budget; or

(iv) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services not covered in the First Year's Budget set forth in the Plan, except as is required to reflect normal annual increases in operating services; or

(v) borrow money on behalf of the Condominium; or

(vi) exercise a right of refusal to lease or purchase a Residential Unit.

The written consent of Sponsor shall not be necessary to perform any function or take any action described in clauses (i) through (vi) above, if, and only if, the performance of such action or the carrying

out of such action is necessary (and no other alternative is available) to enable the Condominium Board to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer. In no event will the limitations imposed herein continue for more than 5 years from the First Closing.

(B) Notwithstanding anything to the contrary contained in these By-Laws, all determinations of the Condominium Board which affect only the Commercial Units and do not materially and adversely affect the use and operation of the Residential Units shall be made by the members of the Condominium Board designated by the Commercial Unit Owners.

Any dispute as to whether or not a determination materially and adversely affects any Units shall be settled by arbitration in accordance with the provisions of these By-Laws. No dispute with respect to whether a determination materially and adversely affects a Unit shall be deemed to exist unless the objecting party specifies the grounds for its objection in writing to the Condominium Board within 10 business days of receipt by it of notice of such determination.

Section 2.6 *Exercise and Delegation of Powers and Duties.*

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6. The Executive Committee and each other committee shall consist of 3 members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation approved by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (xiii), (xiv), (xv), (xvi) and (xvii) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in Subsection (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7 *Number, Election and Qualification of Members.*

(A) Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of 3 individuals, all of which are to be designated from time to time by Declarant or Sponsor. From and after the first annual meeting of the Unit

Owners, the Condominium Board shall consist of 8 individuals: 3 Commercial Members are to be designated 1 each by the Reserved Unit Owner, the Garage Unit Owner and the Retail Unit Owner. The 5 Residential Members shall be as follows: during the Initial Control Period, 3 of the Residential Members shall be designated by Sponsor with the remaining Residential Member to be elected by a Majority of Residential Unit Owners (including Sponsor to the extent it owns any Unsold Residential Units). After the Initial Control Period, but for so long as Sponsor continues to own 1 Unsold Residential Unit, Sponsor shall be entitled to designate 1 Residential Member and the balance of the Residential Members shall be elected by a Majority of Residential Unit Owners (including Sponsor to the extent it owns any Unsold Residential Units). Except for members designated by Sponsor, the Commercial Unit Owners pursuant to the terms of this Section 2.7 or of Section 2.10 or 4.9 hereof, all members of the Residential Condominium Board shall be either: (i) individual Unit Owners or adult family members of an individual Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees. In addition, no Residential Unit Owner may be elected to serve on the Condominium Board, (nor may continue to serve on the Condominium Board) if the Condominium Board has perfected a lien against such Residential Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such election, or so long as such lien remains unpaid. In no event may more than one individual of a designated Unit serve on the Condominium Board or as an officer of the Condominium Board at the same time during the term of office.

Section 2.8 *Term of Office of Members.* The term of office of the 3 members of the Condominium Board designated by Declarant or Sponsor prior to the first annual meeting of the Unit Owners shall expire when the 8 individuals to be elected or designated at such meeting are so elected and qualified or designated, as the case may be. The term of office of each of the 8 individuals elected and qualified or designated, as the case may be, at the first annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof, shall be fixed at 1 year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each member of the Condominium Board shall serve until his successor shall be elected and qualified or designated.

Section 2.9 *Removal and Resignation of Members.*

(A) Any member of the Condominium Board representing the Residential Unit Owners who was elected thereto either by the Residential Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by an affirmative vote of a Majority of Residential Unit Owners. Any member of the Condominium Board who was designated as such by Sponsor pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof, may be removed, with or without cause, only by Sponsor. Any member of the Condominium Board who was designated as such by a Commercial Unit Owner may be removed, with or without cause, only by that same Commercial Unit Owner. Any member of the Condominium Board elected thereto by the Residential Unit Owners, whose proposed removal is to be acted upon at a meeting of the Residential Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any member of the Condominium Board may resign his membership at any time by giving written notice thereof to the Condominium Board. In addition, any member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned his membership effective as of the date upon which such qualification shall cease. Upon the affirmative vote of the majority of the members of the Condominium Board, any officer may be removed with or without cause. The successor officer may be elected at any

regular Condominium Board meeting or at any special meeting of the Condominium Board called for such purpose.

Section 2.10 *Vacancies.*

(A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was elected thereto by the Residential Unit Owners shall be filled by an individual who is qualified to be a member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the Majority of the members of the Condominium Board elected or designated by the Residential Unit Owners then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy even if the number of members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was designated as such by Declarant or Sponsor shall be filled by an individual designated by Declarant or Sponsor, as the case may be. Any vacancy on the Condominium Board that is caused by the removal, resignation or death of a member who was designated as such by a Commercial Unit Owner shall be filled by an individual designated by that same Commercial Unit Owner.

(C) Each member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) of this Section 2.10 shall serve as a member of the Condominium Board for the remainder of the term of the member replaced and until his successor shall be selected and qualified at the appropriate annual meeting of the Residential Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 *Organizational Meeting of the Condominium Board.* The first meeting of the Condominium Board following each annual meeting of the Unit Owners shall be held within 10 days of such annual meeting, at such time and place as shall be both fixed informally by a majority of the members of the Condominium Board and designated by the Secretary in a written notice given to all members thereof by personal delivery, mail, or telegram not later than 5 business days prior to such date. At such meeting, the officers of the Condominium Board shall be elected.

Section 2.12 *Regular Meetings of the Condominium Board.* Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the members thereof, provided that at least 4 such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given by the Secretary to each member thereof by personal delivery, mail, overnight courier, facsimile or e-mail, at least 5 business days prior to the day named for such meeting.

Section 2.13 *Special Meetings of the Condominium Board.* The President may call a special meeting of the Condominium Board whenever he deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of 3 or more members of the Condominium Board. Written notice of all special meetings shall be given by the Secretary to each member thereof by personal delivery, mail, overnight courier, facsimile, or e-mail, at least 5 business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 2.14 *Waiver of Notice of Meetings.* Any member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Condominium Board at any meeting thereof shall

constitute a waiver by him of notice of the time and place thereof. If all of the members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 *Quorum of the Condominium Board.* A quorum of the Condominium Board is required to be present at a Condominium Board meeting in order to make any determination or to transact any business. To constitute a quorum of the Condominium Board, the following majority of the members of the Condominium Board shall be present at the Condominium Board meeting:

(A) Attendance of a majority of all of the members of the Condominium Board will be required for any business relating to the General Common Elements, the General Common Expenses, or, all or a portion of both the Residential Units and the Commercial Units.

(B) Attendance of a majority of the Residential Members of the Condominium Board will be required for any business relating solely to the Residential Common Expenses, the Residential Common Elements, the Residential Limited Common Elements or all or any portion of the Residential Units.

In connection therewith, one or more members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 *Conduct of Meetings.* The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act.

Section 2.17 *Decisions by the Condominium Board.* Except as otherwise provided in the Declaration or these By-Laws:

(A) The vote of a majority of those Residential and Commercial Board Members attending a duly constituted meeting of the Condominium Board at which a quorum is present shall decide all matters on behalf of the Condominium Board relating solely to the General Common Elements, the General Common Expenses, or all or any portion of both the Residential Units and Commercial Units.

(B) The vote of a majority of those Residential Members attending a duly constituted meeting of the Residential Members at which a quorum is present shall decide all matters on behalf of the Condominium Board relating solely to the Residential Common Expenses, the Residential Common Elements, the Limited Residential Common Elements or all or any portion of the Residential Units.

Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 *Compensation of Members.* No member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 *Common or Interested Members of the Condominium Board.* Each member of the Condominium Board shall perform his duties, and shall exercise his powers, in good faith and with a view to the best interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (i) any of its members, or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because, either (a) any such member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such member was counted for such purpose, provided, however, that either:

(x) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the members thereof and noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such members; or

(y) the fact thereof is disclosed to, or known by, a Majority of Residential Unit Owners, and a Majority of Residential Unit Owners shall authorize, approve, or ratify such contract or transaction.

Any such member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 *Liability of Members of the Condominium Board.*

2.20-1 To the extent permitted by Law, the members of the Condominium Board shall have no personal liability with respect to any contract, act or omission of the Condominium Board or of any Managing Agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as set forth in Section 4.13 hereof. Every contract made by the Condominium Board or by the Managing Agent shall state that it is made by the Condominium Board or the Managing Agent, only as agent for all Unit Owners and that the members of the Condominium Board or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners). Any such contract may also provide that it covers the assets, if any, of the Condominium Board. To the extent permitted by Law, the members of the Condominium Board shall have no liability to Unit Owners, except that a member of the Condominium Board shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each member of the Condominium Board against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any member of the Condominium Board, any Unit Owner, Sponsor or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.20-2 Neither the Condominium Board nor any member thereof shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid

for as a Common Expense except when any such failure or interruption is cause by the acts of bad faith or willful misconduct of the Condominium Board or any member thereof; or

(ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or the Common Elements and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

ARTICLE 3

OFFICERS

Section 3.1 *General.* The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion it deems necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any 2 officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 *President.* The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as he may decide, in his discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 *Vice President.* The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon him from time to time by the Condominium Board or by the President.

Section 3.4 *Secretary.* The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of Secretary of a stock corporation organized under the BCL.

Section 3.5 *Treasurer.* The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 *Election, Term of Office and Qualification of Officers.* Each of the officers of the Condominium shall be elected annually by a majority vote of all members of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Vice President, and the Treasurer shall be elected from amongst all members of the Condominium Board. Such officers need not be Unit Owners and need not have any interest in the Condominium if they are designated by Declarant or Sponsor or the Commercial Unit Owner. Such officers must be Unit Owners if they are elected by the Residential Unit Owners.

Section 3.7 *Removal and Resignation of Officers.* Residential Any officer of the Condominium Board may be removed from office, with or without cause, by an affirmative vote of a majority of the members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President, Vice President, or the Treasurer of the Condominium shall cease to be or shall be suspended as a member of the Condominium Board during his term of office, such officer shall be deemed to have resigned his office effective upon the date upon which his membership shall cease.

Section 3.8 *Vacancies.* Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 *Compensation of Officers.* No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 *Indemnification of Officers.* Each officer shall be indemnified as set forth in Paragraph 2.20.

ARTICLE 4

UNIT OWNERS

Section 4.1 *Annual Meetings of the Unit Owners.* The first annual meeting of the Residential Unit Owners shall be held approximately 30 days after the earlier to occur of: (i) the first anniversary of the First Closing; or (ii) the Closing of Title with purchasers under the Plan to Residential Units having at least 90% of the aggregate Common Interest appertaining to all Residential Units. At such meeting, a 8 member Condominium Board shall be elected, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Residential Unit Owners shall be held on or about the anniversary date of the first annual meeting. At each such subsequent meeting, the Residential Unit Owners (including Sponsor with respect to Residential Units) shall elect successors to the members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 *Special Meetings of the Unit Owners.* The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners owning Residential Units to which, in the aggregate, not less than 40% of the Residential Common Interests of all Residential Units appertain. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 *Place of Meetings.* Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough in which the Property is located as may be designated by the Condominium Board.

Section 4.4 *Notice of Meetings.*

(A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, or telegram addressed to his address at the Property, not less than 10 nor more than 40 days prior to the day fixed for the meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than 10 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be mailed to all Unit Owners at least 30 days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 *Quorum of the Unit Owners.* Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Unit Owners owning Residential Units to which, in the aggregate, not less than 40% of the Residential Common Interests of all Residential Units appertain, shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 *Conduct of Meetings.* The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 *Order of Business.* The order of business at all meetings of the Unit Owners shall be as follows:

(i)	Roll call;
(ii)	Proof of notice of meeting;
(iii)	Reading of the minutes of the preceding meeting (unless waived);
(iv)	Reports of officers of the Condominium;
(v)	Reports of members of the Condominium Board;
(vi)	Reports of committees;
(vii)	Election of inspectors of election (when so required);
(viii)	Election of members of the Condominium Board (when so required);
(ix)	Unfinished business; and
(x)	New business.

The order of business at meetings of Unit Owners can be adjusted in the sole discretion of the Condominium Board.

Section 4.8 *Voting.*

(A) Subject to the terms of Section 4.9 hereof, each Unit Owner (including Declarant and Sponsor for so long as Declarant or Sponsor, as the case may be, shall own any Unsold Residential Units) shall be entitled to cast 1 vote at all meetings of the Unit Owners for each percentage of Common Interest attributable to such Unit Owner's Unit(s).

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interests of all Unit Owners for voting purposes.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if 2 or more Persons own a Unit, they shall designate 1 Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under 1 ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner(s) of any Unit may designate any Person to act as a proxy on his behalf. The designation of any such proxy shall be made in a written notice both signed and dated by the designator and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made ata meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the secretary of such meeting, except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of 6 months after the date thereof.

Section 4.9 *Election of Members to the Condominium Board.*

(A) When voting for members of the Condominium Board, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Residential Units) shall be entitled to cast 1 vote for each .00001% of Common Interest attributable to his Unit(s) per Residential Member to be elected. However, nothing contained herein shall be deemed either to permit any Unit Owner to accumulate the votes attributable to the ownership of a Unit in favor of any 1 or more members to be elected. In addition, the terms of paragraphs (B), (C), and (D) of Section 4.8 hereof shall apply to all elections of members of the Condominium Board.

(B) All elections of members of the Condominium Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Unit(s) owned by the voting Unit Owner; (iii) the percentage(s) of the Common Interest appurtenant to such Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall not be counted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election for a period of 2 years.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of members of the Condominium Board shall be determined by plurality vote of Unit Owners present, in person or by proxy, at a duly convened meeting.

(D) At meetings of the Residential Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Residential Units as it sees fit. However, at elections of members to the Condominium Board held during the Initial Control Period, Sponsor will have the right to designate 3 of the 5 Residential Members to the Condominium Board, and Sponsor, and all other Residential Unit Owners shall have the right to vote for the remaining Residential Members of the Condominium Board.

Subsequent to the Initial Control Period, and for so long as Sponsor continues to own 1 Unsold Residential Unit, Sponsor shall have the right to designate 1 Residential Member to the Condominium Board, and shall have the right to vote its Common Interest attributable to the Unsold Residential Units for the remaining Residential Members of the Condominium Board. There is no restriction on the right of Sponsor to vote for Residential Members of the Condominium Board who are not related to or affiliated with Sponsor.

(E) Within 30 days after the Initial Control Period, 2 of the 3 members of the Condominium Board who were designated by Declarant or Sponsor shall resign and their replacements shall be filled by a majority vote of the remaining Residential Members of the Condominium Board (excluding members designated by Sponsor) at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 4.10 *Designation of Commercial Members to the Condominium Board.* When designating Commercial Members to the Condominium Board, each Commercial Unit Owner (including Sponsor for so long as Sponsor shall own a Commercial Unit) shall be entitled to designate Commercial Members as follows: (i) if there is 1 or more Retail Unit Owner and/or Retail Unit, the Retail Unit Owners shall collectively have the right to designate 1 Commercial Member; (ii) if there is 1 or more Garage Unit and/or Garage Unit Owner, the Garage Unit Owners shall collectively have the right to designate 1 Commercial Member; and (iii) if there is 1 or more Reserved Units the Reserved Unit Owners shall collectively have the right to designate 1 Reserved Unit Member.

Section 4.11 *Action Without a Meeting.* Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient (both in absolute number and in aggregate Common Interests whenever applicable) to approve such an action at a duly constituted meeting of the Residential Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.11 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.12 *Title to Units.* Title to any Unit may be taken by any Person or by any 2 or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate. The sale of

a Unit to a corporation, partnership, limited partnership, trust or any other entity shall require the delivery to the Condominium Board or its managing agent of such documents as are reasonably requested by the Condominium Board.

Section 4.13 *Contractual Liability of Unit Owners.* Every contract made by the Condominium Board, by any officer of the Condominium, or by any Resident Manager or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the officers of the Condominium pursuant to the terms of Sections 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners in the case of a contract relating to the General Common Elements, (ii) such proportionate share of the total liability thereunder as the Residential Common Interest of such Residential Unit Owner in a case relating to the Residential Common Elements or Limited Residential Common Elements, and (iii) such Unit Owner's interest in his Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 *Maintenance and Repairs.*

(A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit and all portions thereof (including, but not limited to, the interior walls, partitions, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, window panes, fireplace and flue, all entrance doors and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, air conditioning units, lighting and electrical fixtures, elevators, staircases, carlift, mechanical rooms and any Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein) shall be performed by the owner of such Unit at such Unit Owner's sole cost and expense; and

(ii) in or to the General Common Elements (other than any General Common Elements incorporated into one or more Units pursuant to the terms of paragraph (F) of Section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a General Common Expense;

(iii) in or to the Residential Common Elements (other than any Residential Common Elements incorporated into one or more Units pursuant to the terms of paragraph (F) of Section 5.8 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Residential Common Expense; and

(iv) in or to the Limited Residential Common Elements shall be performed (a) by the Condominium Board as a Residential Common Expense, if involving structural or extraordinary maintenance, repairs, or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Residential Unit Owner having direct and private access thereto), or (b) by the Residential Unit Owner having direct and private access

thereto at such Residential Unit Owner's sole cost and expense, if involving non-structural ordinary maintenance, repairs or replacements.

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, is necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium as a General Common Expense attributable to all Unit Owners if relating to the General Common Elements, and as a Residential Common Expense attributable to all Residential Unit Owners if relating to the Residential Common Elements and/or the Limited Residential Common Elements except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any roof, Terrace, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior surfaces of windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his Unit. To promote a consistent appearance of the Building from the outside, no Unit Owner shall be allowed to enclose, erect a greenhouse and/or alter the Terrace appurtenant to a Unit in such a way that will alter the conformity of the Building, without the prior written consent of the Condominium Board.

(D) In the event that any Unit Owner, after receipt of written notice from the Condominium Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Section 5.1 (or of any Common Elements for which such Unit Owner is responsible under the Declaration or these By-Laws), the Condominium Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within 5 days after receiving notice of such default by the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted

by Law), shall be immediately payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

Section 5.2 *Alterations, Additions, Improvements, or Repairs in and to Units.*

(A) Subject to the terms of paragraph (B) of this Section 5.2, no Residential Unit Owner may make any structural alteration, addition, improvement or repair, in or to his Residential Unit or its appurtenant Limited Residential Common Elements without the prior written approval of the Condominium Board. In the event, however, that the Condominium Board shall fail to answer any written detailed request for such approval within 30 days after such request is received, such failure to respond shall constitute the Condominium Board's consent thereto. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Residential Unit Owner to procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe and to execute an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, or improvement, may be made, including, without limitation, the indemnityreferred to in paragraph (D) hereof and the days and hours during which any such work may be done. The Condominium Board may impose charges upon the Residential Unit Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Residential Unit Owner's request for approval and in monitoring the work performed until completion.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2, however, Sponsor shall have the right, pursuant to the terms of Article 12 of the Declaration, to (i) make any alterations, additions, improvements, or repairs in or to any Unsold Residential Unit or its appurtenant Limited Residential Common Elements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of any Unsold Units, all without the approval of the Condominium Board. In addition, each Commercial Unit Owner shall have the right, pursuant to the terms of Article 12 of the Declaration, to (i) make any alterations, additions, improvements or repairs in or to such Commercial Units, as the case may be, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of such Commercial Unit(s), all without the approval of the Condominium Board. Notwithstanding the foregoing, all Unit Owners, including Sponsor and the Commercial Unit Owners, prior to the making of any alteration, addition, improvement or repair in or to their respective Unit, or its appurtenant Limited Residential Common Elements must: (i) procure and maintain such insurance as the Condominium Board may require, (ii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work, and (iii) abide by the rules and regulations of the Condominium, including but not limited, to the days and hours during which work may be done.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit provided that, with respect to all such work of a structural nature to a Residential Unit or its appurtenant Limited Residential Common Elements (but other than that of the nature described in paragraph (B) hereof), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof.

(D) Neither the Condominium Board nor any other Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, or their Unit(s) and appurtenant Limited Residential Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the

applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialman, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any other Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his or their Unit(s) and appurtenant Limited Residential Common Elements, shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

(E) In addition to the requirements set forth above in this Section 5.2, until a permanent certificate of occupancy is obtained for the Building, no Unit Owner (other than Sponsor with respect to Unsold Residential Units) shall make any alterations in or to its Unit without first notifying Sponsor in writing and complying with Sponsor's requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

(i) such work not include any change that would result in a delay in obtaining a temporary or permanent certificate of occupancy for the Building, or any amendment to, or extension of, the certificate of occupancy if theretofore issued;

(ii) the Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in any amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with all governmental authorities having jurisdiction with respect to such work and the completion of the work;

(iii) such work not be commenced until the Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(iv) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(v) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(vi) promptly after the completion of such work, all necessary inspections and approvals of the work shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(vii) the Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of Law or due to any delay in obtaining a temporary or permanent certificate of occupancy for the Building (or any amendment to, or extension of, the certificate of occupancy if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connection with same; and

(viii) all contractors shall be duly licensed to the extent required by applicable Law and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Sponsor, any other Unit Owner, or the Condominium Board), such work shall be performed solely by union members.

If any Unit Owner commences any such alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the alterations, Sponsor shall be entitled to cause such work by the Unit Owner to be halted, including, without limitation, to cause the Managing Agent to deny access to the Building to the Unit Owner's workers and suppliers, until the Unit Owner complies with the same. During the period until such Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to perform any and all work in and to such Unit Owner's Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid any delay in obtaining a temporary or permanent certificate of occupancy for the Building (or any amendment to, or extension of, the certificate of occupancy if theretofore issued), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Unit Owner. The cost and expense of any such work performed by Sponsor shall be borne by such Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefor.

Section 5.3 *Alterations, Additions, or Improvements to the Common Elements.* Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a General Common Expense attributable to all Unit Owners, if relating to the General Common Elements, or a Residential Common Expense attributable to all Residential Unit Owners, if relating to the Residential Common Elements and/or Limited Residential Common Elements. Notwithstanding the foregoing, however, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed $500,000 with respect to the General Common Elements or the Residential Common Elements and/or the Limited Residential Common Elements, at any one time, in any fiscal year, such proposed alterations, additions or improvements shall not be made unless first approved by the Unit Owners if relating to the General Common Elements, or the Residential Unit Owners, if relating to the Residential Common Elements and/or the Limited Residential Common Elements (including Sponsor if Sponsor then owns any Unsold Residential Unit) owning 75% of the aggregate Common Interests or Residential Common Interests, as applicable, at a duly constituted meeting of the Unit Owners or the Residential Unit Owners, as applicable, and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing $500,000 or less, in any fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Sponsor (so long as Sponsor shall own at least 1 Unsold Unit) is first obtained. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of 5 years from the First Closing or (ii) when Unsold Residential Units representing less than 25% of the aggregate Common Interests appertaining to all Residential Units. Sponsor will not withhold consent to any addition, alteration or improvement to the Common Elements, if such addition, alteration or improvement is required to comply with Law, or to remedy any notice of violation or to remedy any work order by an insurer.

Section 5.4 *Insurance.*

(A) If the same shall be obtainable, the Condominium Board shall obtain, and shall maintain in full force and effect, special multi-peril insurance policies including fire with extended "all risk" coverage, replacement cost coverage and agreed valuation, vandalism and malicious mischief endorsements, insuring the entire Building (other than the space defined by the dimensions of the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property contained therein) together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their respective interest may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof;

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 30 days prior written notice to the Condominium Board and all insureds who may have requested such notice, including Permitted Mortgagees.

Duplicate originals or certificates of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of the Managing Agent. Copies thereof shall be delivered to any Unit Owner or Permitted Mortgagee upon written request thereof.

(B) The Condominium Board shall also obtain and maintain, to the extent it deems practicable:

(i) comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium, and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within his own Unit or its Limited Residential Common Elements, if any);

(ii) rent insurance;

(iii) worker's compensation and New York State disability benefits insurance;

(iv) boiler and machinery insurance;

(v) water damage insurance;

(vi) officers and directors liability insurance;

(vii) fidelity insurance and bonds covering all officers, directors and employees of the Condominium and Managing Agent;

(viii) plate glass insurance;

(ix) elevator liability and collision insurance;

(x) commercial umbrella insurance; and

(xi) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than 80% of the full replacement cost of the Building, exclusive of footings and foundations, without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $2,000,000 in the aggregate; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (ii) of paragraph (B) hereof, the coverage shall be in an amount equal to the aggregate of all of the Unit Owners' Common Charges for 1 year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-Laws, shall be borne by the Unit Owners as a General Common Expense or the Residential Unit Owner's as a Residential Common Expense, depending on the item to which the coverage relates.

(E) Unit Owners may carry other insurance for their own benefit insuring the contents of their Units and their respective Limited Common Elements and liability insurance with respect to acts occurring therein, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing the insurance maintained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 5.5 *Casualty or Condemnation.*

(A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty ("Casualty Loss"), or (ii) the General Common Elements and/or Residential Common Elements and/or Limited Residential Common Expense, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit

Owners, with respect to the portion thereof allocated to a Casualty Loss to or Taking of the General Common Elements and the Units, and for the benefit of all Residential Unit Owners with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Residential Common Elements, the Limited Residential Common Elements and the Residential Units, and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, its appurtenant Limited Residential Common Elements, if any, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances, fixtures, improvements made therein by a Unit Owner, or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss, or (ii) in the event of a Taking, the portion(s) of the Common Elements or the Units affected by such Taking. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. Each Unit Owner whose Unit, its appurtenant Limited Residential Common Elements, if any, or any portion thereof, shall be the subject of all or part of any Work shall have the right subject to the terms of Section 5.2 hereof, to supervise any redecorating of his Unit or of such Limited Residential Common Element, if any.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B), and (D) of this Section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, for Work to the General Common Elements and against all Residential Unit Owners for work to the Residential Common Elements or Limited Residential Common Elements, and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interests, with respect to Work to the Common Elements, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remaining unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, with respect to Work to the Common Elements, free of any claim of any lienor (including without limitation, any Permitted Mortgagee).

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not

be performed unless 75% or more of all Unit Owners (including Sponsor if Sponsor shall then own any Units), in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B), and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the General Common Elements and to all Residential Unit Owners in proportion to their respective Residential Common Interest, to the extent allocated to destroyed or damaged portions of the Residential Units or the Residential Common Elements or the Limited Residential Common Elements, and to each Commercial Unit Owner, to the extent allocated to destroyed or damaged portions of such Commercial Unit, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off any Permitted Mortgage and other unpaid liens on the Unit Owner's Unit in the order of priority of such liens.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted and in the Declaration, or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered usable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such Casualty Loss shall be caused by the act, the omission to act, or the negligence of the owner of a Unit so affected thereby, by a Family Member of such Unit Owner, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Condominium Board with respect to such Unit.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain, and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest and Residential Common Interest, where applicable, appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Limited Residential Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Limited Residential Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest and new Residential Common Interest, where applicable, appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest and new Residential Common Interest, where applicable, of such Unit, and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests and Residential Common Interest, where applicable, of the other remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of all of the other or remaining Units together with the holders of the Permitted Mortgages.

(G) As used in this Section 5.5, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) 60 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) 90 days after the date upon which the Insurance

Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of paragraph (A) of this Section 5.5, 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work. In the event there are insufficient Trust Funds to discharge the estimated cost and expense of the Work, the Condominium Board shall levy a Special Assessment for the amount of such deficiency in accordance with Paragraph (C) of this Section 5.5; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 *Use of the Property.*

(A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to its residents or interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the sole cost and expense of the respective Unit Owners or the Condominium, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. In the event that the rate of insurance for the Property is increased as a direct result of a particular or unique use being made of a Commercial Unit and not as a result of the typical uses for which a Commercial Unit may be occupied or for which commercial spaces in similar Building is normally occupied, such Commercial Unit Owner shall be obligated to pay the amount of such increase in the rate of insurance. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.7 *Use of the Units.*

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7.

(B) Subject to the terms of paragraphs (C), and (D) of this Section 5.7, each Residential Unit shall be used for residential use only, and not more than one family may occupy a Residential Unit at any one time. A Residential Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may be occupied only by an individual, or by an individual officer, director, stockholder, or employee of such corporation, or by an individual partner or employee of

such partnership, or by an individual fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners and employees of partnership fiduciaries), or by an individual beneficiary of said fiduciary, or by an individual principal or employee of such other entity, respectively, or by the Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any such Unit by such Family Members or guests). In no event, however, shall a portion of a Residential Unit (as opposed to the entire Residential Unit) be sold, conveyed, leased, or subleased, and no transient occupant (other than a guest permitted under this paragraph (B)) may be accommodated therein. Notwithstanding the foregoing, Sponsor (or, when there are no longer any Unsold Units, the Condominium Board) may, in its sole discretion, permit Persons other than those set forth above to occupy a Residential Unit.

(C) The Condominium Board may, in its sole discretion, consent to the use of a Residential Unit as a professional or business office or for any purpose other than that set forth in paragraph (B) hereof, provided that the nature and manner of such use complies with Law and does not violate the then existing Certificate of Occupancy covering the Building. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior written consent of the Condominium Board before using such Unit for any purpose other than that set forth in paragraph (B) hereof.

(D) Notwithstanding anything to the contrary contained in this Section 5.7, Declaration or Sponsor may, without the consent of either the Condominium Board or the Unit Owners:

(i) grant permission for the use of any Unsold Unit as a professional or business office or for any other purpose, provided that the nature and/or any portion of an Unsold Unit manner of such use complies with Law and the user thereof complies with all applicable governmental regulations; and

(ii) use any one or more Unsold Units or any portion thereof as model Units and offices for the sale, lease, promotion, rental, management and operation of the Unsold Units or for any other purpose, subject only to compliance with Law; and

(iii) lease an Unsold Unit, or any portion of an Unsold Unit to third parties.

(E) A Commercial Unit may be used for any legally permitted purpose regardless of designation and without limitation. Notwithstanding, the Garage Unit for so long as it operates as a garage shall be an accessory parking facility. The Garage Unit Owner shall offer priority in obtaining monthly parking accommodations to Residential Unit Owners on the same terms as the Garage Unit Owner offers to non-occupants, if any, (or on such other more beneficial terms as the Garage Unit Owner may elect). Pursuant to such priority, a person seeking a parking space may require the Garage Unit Owner to terminate the license of a licensee with a lower priority upon 30 days notice. If more Residential Unit Owners seek monthly spaces than are available, the following shall apply: (i) Residential Unit Owners shall have priority over Building occupants who are not Unit Owners or members of their immediate families on a first-come-first-served basis; and (ii) there shall be no right to more than one parking space. In other respects, the Garage Unit Owner may establish reasonable rules and regulations governing access to parking spaces. As used in this paragraph, "access" shall refer to access to parking accommodations, not to designated parking spaces, and shall not refer to the rates charged by the Garage Unit Owner for parking accommodations. The sale, lease and use of the Commercial Units are not subject to Condominium Board review or approval.

Section 5.8 Use of the Common Elements

(A) Subject to the terms of paragraphs (B), and (C) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical

systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements without the prior written consent of the Condominium Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

(B) The owner or owners of any 2 or more Residential Units, which Residential Units are the only Units serviced or benefited by any Residential Common Element adjacent or appurtenant to such Residential Units (for example, that portion at the end of any residential hallway that is directly adjacent to any such Residential Units located on opposite sides of such hallway) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the right to use such Residential Common Elements exclusively, as if it were a part of such Residential Units (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such event, however, such owner or owners shall, at his or their sole cost and expense, both (i) operate, maintain and repair such Residential Common Element for so long as such owner or owners exercise such exclusive right of use, and (ii) restore such Residential Common Element to its original condition, reasonable wear and tear excepted, after such owner or owners cease to exercise such exclusive right of use.

(C) The terms of paragraph (A) of this Section 5.8 shall not apply to Sponsor for so long as there are any Unsold Units. Declarant and Sponsor shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor on or about any portion of the Common Elements chosen by Sponsor including, adjacent to the main entrance of the Building; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements (such as lobbies, corridors and the like), to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

Section 5.9 *Rights of Access.*

(A) Each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the Resident Manager or to any other Person authorized by any of the foregoing a right of access (including the right of forced entry if required in the discretion of the party seeking such entry) to his Unit and its appurtenant Limited Residential Common Elements, if any, for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the structural elements, mechanical or electrical services, or other portions of the Common Elements located within his Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to his Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than 1 day's advance notice and only in such a manner as will not unreasonably interfere with the normal conduct of business of the Commercial Unit Owners or other occupants of the Commercial Units or with the use of the Residential Units and their appurtenant Limited Residential Common Elements for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) Each Unit Owner shall grant a right of access to his Unit and its appurtenant Limited Residential Common Elements, if any, and the Condominium Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of fulfilling Sponsor's obligations as set forth in the Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Limited Residential Common Elements, if any, in such a manner as will unreasonably interfere with the use of such Unit and its appurtenant Limited Residential Common Elements, if any, for their permitted purposes.

Section 5.10 *Modification of the Rules and Regulations.* The Condominium Board shall have the right to amend, modify, add to, or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of at least 66⅔% of all Residential Unit Owners, in number and Common Interest. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulations shall be furnished to all Unit Owners not less than 30 days prior to the effective date thereof. Notwithstanding the foregoing, the Condominium Board shall not have the right to amend, modify, add to, or delete any of the Rules and Regulations if the same would materially and adversely affect Sponsor and/or the Commercial Unit Owners, without the prior written consent of such affected Unit Owner.

Section 5.11 *Real Estate Taxes.* Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes as a Common Expense (regardless of whether such sums are provided for in the first year's budget). In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit, or to such purchaser's title company, a letter agreeing to promptly pay all such real estate taxes affecting such Owner's Unit to the date of the closing of title to such Unit.

Section 5.12 *Fuel.* Unless and until fuel is billed directly to Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of fuel (for heating and cooling) serving or benefiting any Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: (a) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements, (b) each Commercial Unit Owner as a General Common Expense for such portion attributable to such Commercial Unit, and (c) the Residential Unit Owners as a Residential Common Expense for such portion attributable to the Residential Units and/or the Residential Common Elements and/or the Limited Residential Common Elements. In the event there is a particular or unique use being made of a Unit and/or Common Element,

the Condominium Board shall cause a new survey to be made the cost of which shall be borne by the Unit Owners as a General Common Expense. In the event a particular Unit or group of Units is separately metered or submetered for use and such expense is paid by the Condominium Board, the Condominium Board, to the extent of such metering may charge the owner(s) of such particular Unit or group of Units based on such metering rather than for such portion attributable prorata as a Common Expense or Residential Common Expense pursuant to the foregoing.

Section 5.13 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Unit and water charges and sewer rents are billed directly to a Unit Owner by the City Collector, in accordance with and subject to the provisions of the Plan, the cost and expense of water serving or benefiting a Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to: the Residential Unit Owners as a Residential Common Expense for such portion attributable to the Residential Units and/or Residential Common Elements and/or Limited Residential Common Elements, and (b) the Unit Owners as a General Common Expense for such portion attributable to the General Common Elements. In the event a particular Unit or group of Units is separately metered or submetered for use and such expense is paid by the Condominium Board, the Condominium Board, to the extent of such metering may charge the owner(s) of such particular Unit or group of Units based on such metering rather than for such portion of attributable prorata as a Common Expense or Residential Common Expense pursuant to the foregoing.

Section 5.14 *Record and Audits.*

(A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent, and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid, as well as all Permitted Mortgages having an interest in such Unit.

(B) Within 4 months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a General Common Expense. The fiscal year of the Condominium shall be a calendar year.

ARTICLE 6

COMMON CHARGES

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges*

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners in accordance with allocations set forth in the First Year's Budget. The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the

amount of Common Charges payable by each of them, not later than 10 days prior to the date upon which the first installment of newly-determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees whenever requested in writing by such Permitted Mortgagees. The Condominium Board may, subject to Paragraph (E) of this Section 6.1, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. Notwithstanding the foregoing, however, the Condominium Board shall not reduce the Common Charges payable during any fiscal year occurring within the Initial Control Period solely as a result of either reducing the number of employees of the Condominium below the number employed (or anticipated in the First Year's Budget) for the Property on the date of recording the Declaration except with the Sponsor's prior written consent, or eliminate or reduce the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of the members of the Condominium Board elected by Unit Owners other than Sponsor. All Unit Owners will be given a copy of the proposed annual budget of the Condominium at least 10 days prior to the date set for adoption thereof by the Condominium Board.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments relative to the General Common Elements shall be levied against all Unit Owners in proportion to their respective Common Interests and all Special Assessments relative to the Residential Common Elements and/or the Limited Residential Common Elements shall be levied against all Residential Unit Owners in proportion to their Residential Common Interests, except with respect to any Special Assessments relative to the shared Limited Residential Common Elements which may (in certain instances, subject to the discretion of the Condominium Board) be levied only against the Residential Unit Owners sharing in the use of such area in equal shares. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however, that the Condominium Board shall give each Unit Owner not less than 15 days' written notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.4 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any, General Common Element, or Residential Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners or the Residential Unit Owners, as applicable and shall be collected on behalf of the Unit Owners or Residential Unit Owners, as applicable by the Condominium Board and applied against the General Common Expenses attributable to the General Common Elements, or the Residential Common Expenses attributable to the Residential Common Elements, or the Limited Residential

Common Elements, as appropriate for the fiscal year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the General Common Expenses attributable to the General Common Elements, or the Residential Common Expense attributable to the Residential Common Elements or the Limited Residential Common Elements depending on whether the excess relates to the General Common Elements or the Residential Common Elements or the Limited Residential Common Elements for the next succeeding year(s) of operation. No Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests, or Residential Common Interests, as appropriate and any such distributions must be made out of the Common Charges collected from Unit Owners.

(E) The respective allocations of Common Expenses between the Residential Units and the Commercial Units, as set forth in the First Year's Budget are deemed presumptive evidence of reasonableness. The Condominium Board may not modify these allocations without the consent of the Commercial Unit Owners.

Section 6.2 *Payment of Common Charges*

(A) All Unit Owners (including Sponsor with respect to Unsold Units for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and any sums unpaid on a Permitted Mortgage recorded against the Unit.

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against his Unit subsequent to a sale, transfer, or other conveyance by him of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to his acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by the Permitted Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Condominium Board in payment of all unpaid Common Charges and Special Assessments. In the case of a Residential Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Residential Unit Owner shall be deemed a Residential Common Expense, collectible from all those who are Residential Unit Owners at the time the same is levied. In the case of the Commercial Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure or sale or from the defaulting Commercial Unit Owner shall be deemed a

Common Expense, collectible from all those who are Commercial Unit Owners at the time that the same is levied.

(C) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey his Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted Mortgage; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Unsold Unit, thereafter accruing unless (i) the aggregate Common Interests then appertaining to the conveyed Unsold Unit constitutes 15% or less of the total Common Interests then appertaining to all Unsold Units; (ii) at least 5 years shall have elapsed from the date of the First Closing; and (iii) at the time of conveyance, Sponsor or the Residential Unit Owner shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unit(s) being conveyed multiplied by 24. With respect to a Commercial Unit, at least 5 years shall have elapsed from the date of the First Closing and at the time of conveyance the Commercial Unit Owner shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unit being conveyed multiplied by 24.

(D) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof). Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 *Statement of Common Charges.* The Condominium Board shall promptly provide a written statement of unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 6.4 *Common Charge Deposit for Foreign Owners.* Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall deposit with the Condominium Board an amount equal to two (2) times the then current annual Common Charges for such Unit, subject to increase from time to time as such Common Charges increase, together with the full amount of any special assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit owner of the terms, provisions and conditions of these By-Laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-Laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Unit Owner is in default. If the Condominium Board applies or retains any part of said security, the Unit Owner in question, within ten (10) days after notice from the Condominium Board, shall deposit with the

Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

Section 6.5 *Default in Payment of Common Charges.*

(A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remain unpaid for more than 15 days after the due date for the payment thereof, including, but not limited to the imposition of late charges, notice fees and the institution of such actions for the recovery of interest and expenses as provided in this Article 6. All costs and expenses incurred by the Condominium Board (including reasonable attorney's fees) as a result of its attempt to collect unpaid Common Charges and/or Special Assessments shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay: (i) interest thereon at the rate of 1.5% per month of such unpaid amounts (less any late "charges" theretofore collected), to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs; (ii) a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, plus all expenses of collection including but not limited to reasonable attorney's fees, in such amount as may be determined by the Condominium Board from time to time, to be computed from the due date thereof until paid in full. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of his Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Unit Owner after first paying all liens on such UnitOwner's Unit in the order of priority of such liens.

(D) If the Unit Owner shall at any time lease the Unit and shall default in the payment of any Common Charges or additional Common Charges, the Condominium Board may, at its option, so long as such default shall continue, demand and receive from the tenant the rent due or becoming due from such tenant to the Unit Owner, and apply the amount to pay sums due and to become

due from the Unit Owner to the Condominium. Any payment by a tenant to the Condominium shall constitute a discharge of the obligation of such tenant to the Unit Owner, to the extent of the amount so paid. The acceptance of rent from any tenant shall not be deemed a consent to or approval of any leasing by the Unit Owner, or a release or discharge of any of the obligations of the Unit Owner hereunder. In the event the tenant fails to pay the rent to the Condominium after demand by the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings inthe name of or on behalf of the Unit Owner, against the tenant. All costs and expenses incurred by the Condominium Board (including reasonable attorney's fees) in connection therewith, shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

ARTICLE 7

SELLING AND LEASING OF UNITS; ASSIGNMENT OF LICENSES

Section 7.1 *General.* Subject to the terms of Section 7.5 hereof, each Residential Unit Owner may (i) sell his Unit, and (ii) lease his Unit for periods of 1 year or more only, provided however, no Residential Unit Owner may sell or lease his Unit except in compliance with the applicable provisions of this Article 7. Any purported sale or lease consummated in default in the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or leasing Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name ofsuch Unit Owner. Such Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

Section 7.2 *Right of First Refusal.*

(A) Subject to the terms of Sections 7.5 and 7.9 hereof, any contract to sell an Offered Unit together with its Appurtenant Interests and any lease of ("Sale Agreement" or "Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE CONDOMINIUM BOARD OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTIONS 7.2 AND 7.3 OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED". Promptly after any such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Unit Owner executing the same ("Offeree Unit Owner") shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Unit Owner to sell his Unit, together with its Appurtenant Interests, or to lease his Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in

writing, such further information with respect to the Outside Offeror and the Sale Agreement or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than 30 business days (in the event of a proposed sale) and 15 business days (in the event of a proposed lease) after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Unit together with its Appurtenant Interests or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Unit Owners upon the same terms and conditions as were contained in the Sale Agreement or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this Section 7.2 to purchase or lease any Unit without the prior approval of a Majority of all Unit Owners.

(D) The Condominium Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by Law in connection with its exercise of its right of first refusal with respect to the sale or lease of a Unit.

Section 7.3 *Acceptance of Offer*

(A) In the event that the Condominium Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Unit together with its Appurtenant Interests, to lease such Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale Agreement or Lease Agreement, at the office of the attorneys for the Condominium Board within 45 days after the day upon which the Condominium Board shall give notice of its election to accept such offer.

(B) If such Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interests. In addition, if the Outside Offeror was to assume or to take title to the Unitsubject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale Agreement, the Condominium Board may purchase the Unit and assume or take title thereto subject to such mortgage or mortgages as the case may be. At the closing of title, the Offeree Unit Owner shall convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, on behalf of all Unit Owners, by deed in the form required by Section 399-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale (including, if applicable, the New York State Real Property Transfer Tax, the New York State Documentary Stamp Tax and the New York City Real Property Transfer Tax) notwithstanding any terms of the Sale Agreement to the contrary. Real estate taxes, mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the closing date, notwithstanding any terms of the Sale Agreement to the contrary. Thereafter, such Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Unit Owners, as tenants-in-common, and all such

Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit and the entire Property, as herein provided.

(C) In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, the Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

Section 7.4 *Failure to Accept Offer.*

(A) In the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.2 hereof within the respective times set forth in paragraph (C) thereof, the Unit Owner shall be free to consummate the transaction embodied in the Sale Agreement or Lease Agreement within 60 days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium Board, or (ii) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale Agreement or Lease Agreement within such 60 day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Section 7.2, 7.3 and 7.4 hereof, but not more often than once in any 12 month period, except the Condominium Board shall have the right to waive this for good cause shown, in its sole discretion.

(B) Any deed of a Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included herein.

(C) Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board or such other form approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease, shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease may not be amended, modified, or extended without the prior written consent of the Condominium Board in each instance;

(ii) the tenant thereunder shall not assign his interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board in each instance; and

(iii) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease, or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Section 7.5 *Termination of, and Exceptions to, the Right of First Refusal.*

(A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish without charge, such certificate upon written request to any Unit Owner in respect to whom the provisions of Sections 7.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 7.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 7.2, 7.3 and 7.4 hereof) in the absence of the certificate that has been duly executed, acknowledged and issued by the Secretary of the Condominium or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease or conveyance of a Unit, together with its Appurtenant Interests, by:

(i) the Unit Owner thereof to any of his adult Family Members, to any combination of the same, or to a trust for the benefit of any of them provided, however, that if the succeeding Unit Owner is an infant or a person judicially declared incompetent of managing his affairs, then such Unit shall be held by the personal representative of such infant or incompetent, or in the case of a Unit Owner that is not an individual, to any entity or individual that owns more than 50% of the legal and beneficial interests of such Unit Owner or to any entity with respect to which such Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof;

(ii) Sponsor;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or

(v) any Permitted Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction;

provided, however, that each succeeding Unit Owner shall be bound by, and such Unit shall be subject to, all of the terms and conditions of this Article 7.

(C) The terms and conditions contained in Section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease or conveyance of any Commercial Unit, together with their respective Appurtenant Interests.

Section 7.6 *No Severance of Ownership.* No Unit Owner shall execute any deed or other instrument conveying title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale,

conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 *Payment of Common Charges.* No Unit Owner shall be permitted to convey or lease his Unit unless he shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale, a sale may take place notwithstanding the foregoing.

Section 7.8 *Power of Attorney.* At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of his title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

Section 7.9 *Gifts and Devises, Etc.* Any Unit Owner shall be free to convey or transfer his Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, the provisions of this Article 7.

Section 7.10 *Commencement of Time.* The period of time set forth in Section 7.2 for which the Condominium Board has to waive its right of first refusal shall not commence until such time as the Condominium Board or its managing agent has received a completed sales or lease package, including all fees set forth therein, as the case may be, from a Unit Owner. If the information provided by the Unit Owner or prospective purchaser or tenant, as the case may be, is incomplete, the Condominium Board shall have the right to request additional information and the 30 day period will commence on receipt by the Condominium Board of the additional information.

Section 7.11 *Costs and Expenses.* All costs and expenses incurred by the Condominium Board, including, without limitation, attorneys' fees and disbursements paid or incurred by the Condominium Board or by its Managing Agent in connection with any action taken by the Condominium Board with regard a violation of this Article 7, shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1 *General.* Each Unit Owner shall have the right to mortgage his Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages his Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering his Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units". The terms and conditions contained in this Section 8.1, however, shall not apply to Declarant or Sponsor.

Section 8.2 *Restrictions on Mortgaging*

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate his Unit unless and until he shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Unit shall be made by an Institutional Lender, Sponsor, or by a Unit Owner providing purchase money financing in connection with the sale of his Unit.

Section 8.3 *Notice of Unpaid Common Charges and Default.* Whenever requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default by his mortgagor(s) in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by his mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure, and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit Pursuant to the terms of Section 6.4 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4 *Performance by Permitted Mortgagees.* Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by his Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 *Examination of Books.* Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 *Consent of Mortgagees; Designation of Mortgage Representatives.*

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-Laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of

paragraph (B) of this Section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than 3 Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Self Help.* If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his Unit or its appurtenant Limited Residential Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within 5 days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such 5 day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Residential Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing such Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2 *Abatement and Enjoinment.*

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the

Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any rights, easements, privileges, or licenses granted to Sponsor or the Commercial Unit Owner shall give to Sponsor and the Commercial Unit Owners the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at Law or in equity.

Section 9.3 *Remedies Cumulative.* The remedies specifically granted to the Condominium Board or to Sponsor or to the Commercial Unit Owners in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at Law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board, Sponsor or the Commercial Unit Owners, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 *Costs and Expenses.* All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or paragraph (A) of Section 9.2 hereof, or (ii) Sponsor or the Commercial Unit Owner in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board, or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Sponsor or the Commercial Unit Owner, as the case may be, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of 2% per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 9.3 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

Section 10.1 *Procedure.* Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before one arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within 10 days after his selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least 5 members whose principal office is located in the City of New York.

Section 10.2 *Variation by Agreement.* The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to

resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of Section 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 10.4 *Costs and Expenses.*

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute General Common Expenses, to be borne by all Unit Owners, if such arbitration relates to the Units, generally, or to the General Common Elements, and shall constitute Residential Common Expenses, to be borne by all Residential Unit Owners if such arbitration relates solely to the Residential Units or the Residential Common Elements or the Limited Residential Common Elements.

ARTICLE 11

NOTICES

Section 11.1 *General.* All notices required or desired to be given hereunder (except for notices of regular annual or special meetings of the Offered Unit Owners and except all meetings of the Condominium Board) shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 1.5 hereof, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Sponsor, to such Unit Owner at his address at the Property;

(iii) if to Declarant, to Declarant at its principal office as set forth in the plan;

(iv) if to Sponsor, to Sponsor at its principal office as set forth in the Plan;

(v) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when mailed in the State of New York, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2 *Waiver of Service of Notice.* Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 *General.*

(A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-Laws with respect to any amendments ("Special Amendments") affecting or in favor of Declarant or Sponsor, the Unsold Units, the Commercial Unit Owners, the Commercial Units and/or any Permitted Mortgagee, any provision of these By-Laws may be amended, modified, added to, or deleted by the affirmative vote of not less than 75% in number and aggregate Common Interest of all Residential Unit Owners either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage (where applicable) of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage (where applicable) of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-Laws with respect to Special Amendments:

(i) the Common Interest and Residential Common Interest, if any, appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (E) of Section 5.5 hereof; and

(ii) the terms of Section 5.7 hereof may not be amended, modified, added to, or deleted unless not less than 80% in number and in aggregate Common Interests of all Unit Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

Section 12.2 *Special Amendments.*

(A) Any amendment, modification, addition, or deletion of or to any of the provisions of these By-Laws that, pursuant to the terms of the Declaration or these By-Laws, may be effected by Sponsor and/or the Commercial Unit Owners, without the consent of the Condominium Board or the Residential Unit Owners and shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor and/or the Commercial Unit Owner, as the case may be, as attorney-in-fact of both the Condominium Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable

and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor and/or the Commercial Unit Owners, as the case may be, certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor and/or the Commercial Unit Owners, as the case may be, pursuant to the terms of the Declaration and/or these By-Laws, in which Certification there shall be set forth the Article and/or Section of the Declaration or these By-Laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-Laws shall be effective in any respect against Sponsor and/or the Commercial Unit Owners, or the holder of any Permitted Mortgage covering any Unsold Unit or Commercial Unit unless and until Sponsor and/or the effected Commercial Unit Owner and/or the holder of any present mortgages, as the case may be, shall consent to the same in writing.

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, paragraph (B) of Section 6.2, subparagraph (iv), or (v) of paragraph (B) of Section 7.5 or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto.

(D) Amendments, modifications, additions or deletions of or to the Declaration, these By-Laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of a Commercial Unit or the subdivision of or combination of, or altering of, or improvement to a Commercial Unit(s) and it is contemplated that in connection therewith an affected Commercial Unit Owner will cause the Declaration, these By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provisions thereof may be similar or dissimilar to those affecting the Residential Units and the Residential Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the Residential Units or the Residential Unit Owners, a Commercial Unit Owner shall be the attorney-in-fact for the Residential Unit Owners (including Declarant and Sponsor so long as either owns any Unsold Residential Units), coupled with an interest, for the purpose of approving, executing and recording any instrument effecting such amendment, modification, addition or deletion.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 *General.* Any Person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 *Failure to Deliver or Act.*

(A) If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days after request

therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If the Condominium Board, any Unit Owner, or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action that the Condominium Board, such Unit Owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Sponsor or a Commercial Unit Owner, as the case may be, then Sponsor or a Commercial Unit Owner, as the case may be, is hereby authorized, as attorney-in-fact for the Condominium Board, such Unit Owner, or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in these By-Laws which requires the consent or approval of the Condominium Board.

ARTICLE 14

MISCELLANEOUS

Section 14.1 *Inspection of Documents.* Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

Section 14.2 *Waiver.* No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 *Conflict.* In the event that any provision of these By-Laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 *Severability.* If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 *Successors and Assigns.* The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor, assignee or designee of Sponsor or, with the consent of Sponsor, any transferee of all of the then Unsold Units. The rights and/or obligations of each Commercial Unit Owner as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of each Commercial Unit Owner or, with the consent of any Commercial Unit Owner, any transferee of such Commercial Unit.

Section 14.6 *Gender.* A reference in these By-Laws to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 *Captions.* The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-Laws or the intent of any provision hereof.

ARTICLE 15

TAX STATUS AS A HOMEOWNERS ASSOCIATION

Section 15.1 *General.* As of the filing date of the Declaration, the Condominium qualified as a "homeowner's association", under Section 528 of the Internal Revenue Code, as amended. The Condominium Board intends to act in a manner consistent with insuring that the Condominium continue to be eligible to elect to be treated as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended.

Section 15.2 *Organization.* The Condominium is and will be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property.

Section 15.3 *Inurement.* No part of the Condominium's net earnings shall inure, and the Condominium Board will act in a manner such that no part of such earnings will inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of the Property, and other than by rebate of excess membership dues, fees, or assessments).

Section 15.4 *Residential Use.* Substantially all of the Units are and will be used by individuals for residences.

* * * * *

ADDENDUM TO THE BY-LAWS

RULES AND REGULATIONS

1. The sidewalks, entrance passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units.

2. No velocipedes, bicycles, rollerblades, scooters, or similar vehicle shall be taken into or from the Building through the main entrances or shall be allowed in any of the elevators of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. All service and delivery persons will be required to use the entrances of the Building designated by the Condominium Board or the Managing Agent. In addition, all servants, messengers and tradespeople visiting the Building shall use the elevators designated by the Condominium Board or the Managing Agent for the purposes of ingress and egress, and shall not use any of the other elevators for any purpose, provided, however, that nurses in the employ of Unit Owners or their Family Members, guests, tenants, subtenants, licensees, or invitees may use any of the other elevators when accompanying said Unit Owners, Family Members, guests, subtenants, licensees, or invitees.

4. Trunks and heavy baggage shall be taken in or out of the Building only by the elevators designated by the Condominium Board or the Managing Agent for the purpose and only through the service entrances.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

6. No Unit may be used for the storage of any flammable materials or any other materials the storage of which may constitute a building code violation or which will increase the insurance requirements for the Building.

7 No refuse from the Units shall be sent to the service area of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, or placed upon the window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

8. There shall be no playing or lounging in the entrances, passages, public halls, elevators, vestibules, corridors, stairways, or fire towers of the Building.

9. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage or service purposes in the Building.

10. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any of his Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as

shall be necessary and appropriate for the permitted uses of such Unit.

11. There shall be no barbecuing in the Units, in their appurtenant Limited Residential Common Elements, if any, or in the Common Elements.

12. With the exception of the Sponsor, no Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his Residential Unit or its appurtenant Limited Residential Common Elements, if any, or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Residential Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit or its appurtenant Limited Residential Common Elements, if any, between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 8:00 A.M.. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

13. No bird, reptile, or animal shall be permitted, raised, bred, kept, or harbored in, on or about the Building unless, in each instance, the same shall have been expressly permitted in writing by the Condominium Board or the Managing Agent. Any such consent, if given, shall be revocable at any time by the Condominium Board or the Managing Agent in their sole discretion. In no event shall any bird, reptile, or animal be permitted in any public elevator of the Building, other than the elevators designated by the Condominium Board or the Managing Agent for that purpose, or in any of the public portions of the Building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Building, or on the sidewalk or street adjacent to the Building.

14. No group tour or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the consent of the Condominium Board or the Managing Agent in each instance. In the event that any Residential Unit shall be used for home occupation purposes in conformance with the Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

15. Unless expressly authorized by the Condominium Board in each instance, not less than 80% of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise reducing material.

16. No window guards or other window decorations shall be used in or about any Residential Unit, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any windows of any Residential Unit be colored or painted.

17. No ventilator or air conditioning device shall be installed in any Residential Unit or its appurtenant Limited Residential Common Elements, if any, without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

18. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale", "For Lease", or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or the By-Laws or shall

have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval.

19. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

20. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit.

21. Each Unit Owner shall keep his Unit and its appurtenant Limited Residential Common Elements, if any, in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

22. The agents of the Condominium Board or the Managing Agent, and any contractor or workman authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least 1 day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests, however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

23. The Condominium Board or the Managing Agent may retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to his Residential Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Condominium Board or the Managing Agent, then the Condominium Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Residential Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Residential Unit Owner's property).

24. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as provided in Rule 22 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

25. Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever, enter upon, or attempt to enter upon, the roof of the Building unless such roof is part of a lawful Terrace.

26. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

27. Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be

conditional in nature.

28. Except for Sponsor, no Residential Unit Owner shall install any plantings on any Terrace or roof without the prior written approval of the Condominium Board. Plantings shall be placed in containers impervious to dampness and standing on supports at least two inches from the terrace, balcony or roof surface, and if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the containers to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in containers which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such Terrace or roof but shall stand on supports at least two inches above such surface. No planting shall be permanently affixed to a Terrace or roof surface but shall be able to be easily moved. It shall be the responsibility of the Residential Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Residential Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such plantings. The Condominium Board shall have an easement and a right of access to the Terrace appurtenant to the a Unit to inspect the same and to remove violations therefrom and to install, operate, maintain, repair, alter, build, restore, and replace any of the Common Elements located in, over, under through, adjacent to, or upon the same.

29. No Residential Unit Owner shall enclose, erect a greenhouse and/or alter the Terrace appurtenant to a Residential Unit in such a way that will alter the conformity of the Building, without the prior written consent of the Condominium Board.

30. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board or to the Managing Agent.

EXHIBIT E

TO THE DECLARATION

UNIT OWNER'S POWER OF ATTORNEY

UNIT OWNER'S POWER OF ATTORNEY

Terms used in this Unit Owner's Power of Attorney which are used (a) in the declaration (the "Declaration") establishing a plan for condominium ownership of the premises known as _____ Condominium ("Condominium") and by the street number _____, New York, New York under Article 9-B of the Real Property Law of the State of New York, dated _____, ____, and recorded in the New York County Office of the Register of The City of New York on _____, ____ in Reel _____, Page _____, or (b) in the By-Laws of The Empire Condominium ("By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, (having an office) (residing at) _____, the owner of the Unit __ (the "Unit") in 150 Nassau Condominium which is designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot ___ in Block 100 of Section 1 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property, or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Property or the Common Elements which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned (does) (do) hereby irrevocably nominate, constitute and appoint 2 Spruce Street LLC (hereinafter referred to as "Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, By-Laws and the Rules

and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor in accordance with the Declaration, or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit provided, however, that any amendment made pursuant to the terms of subdivision (1), or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material, physical modification to the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i), or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as Sponsor shall cease to own any Unit in the Condominium.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, ____.

_____

(ACKNOWLEDGEMENT)

ATTORNEY'S INCOME TAX OPINION

HOFFINGER FRIEDLAND DOBRISH & STERN, P.C.

110 EAST 59TH STREET

NEW YORK, N.Y. 10022-1392

(212) 421-4000

TELECOPIER: (212) 223-3857

JACK S. HOFFINGER
LAWRENCE N. FRIEDLAND
ROBERT Z. DOBRISH
STEPHEN R. STERN
SAMUEL P. ROSS
WARREN R. GLEICHER
PHILIP S. ROSS

MICHAEL J. SHERMAN
FRAN HOFFINGER
JOHN H. FRIEDLAND
DEVORAH S. WEINSCHNEIDER
ANDREA E. GOLDSTEIN
ERIC I. WRUBEL
NINA S. GROSS
SCOTT L. D'ALOISE

July 24, 2001

2 Spruce Street LLC
500 Fifth Avenue
New York, New York 10110

Re: 150 Nassau Condominium

Gentlemen:

In connection with the offering of condominium units under a plan entitled Offering Plan for 150 Nassau Condominium (the "Plan"), you have requested our opinion as special tax counsel to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for federal and New York State income tax purposes of payments of mortgage interest and real estate taxes by individual Residential Unit Owners. You have also asked for our opinion as to the tax status of the condominium association.

All capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

We understand that under the Plan each Unit Owner will hold title to his Unit and an undivided interest in the Common Elements of the Property in fee simple. Under New York State law, each Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes. Each Unit Owner may place a separate mortgage on his Unit and, by doing so, incur direct liability for the interest payable on such mortgage.

In our opinion under present law, subject to the limitations discussed in the following paragraph, interest on a mortgage secured by a Residential Unit paid or accrued by owner of such

Residential Unit who is liable for the interest payment on such mortgage and who uses the Residential Unit exclusively as his personal residence will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. In rendering this opinion we assume that such interest is not prepaid, that the mortgage proceeds were used by the Residential Unit Owner to purchase the Residential Unit, that the Residential Unit is the owner's principal residence and that the Residential Unit Owner is an individual.

Under the Tax Reform Act of 1986, as amended by The Revenue Act of 1987, limitations are placed on the deductibility of residential interest, subject to phase-in rules. Such interest is deductible if paid or accrued during the taxable year on indebtedness which is secured by either the taxpayer's principal residence, as defined for purposes of exclusion of gain on sale under Internal Revenue Code ("Code") Section 121, or on certain designated second homes. However, a ceiling is placed on the amount of indebtedness which may be taken into account for purposes of this deduction. In general, with respect to indebtedness incurred in purchasing a Unit, this ceiling is $1 million, or $500,000 in the case of a married individual filing a separate return. In addition, an individual may deduct interest on an additional $100,000 of indebtedness in excess of the $1 million limit mentioned above as interest on home equity indebtedness.

It is also our opinion under present law that real estate taxes assessed against a Unit Owner's Residential Unit which are paid or accrued by such owner will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions.

We note that in some cases the amount of mortgage interest deductible by an individual Residential Unit Owner subject to the alternative minimum tax may be less than the amount deductible by a Residential Unit Owner subject to the regular income tax and that no deduction is allowed for real estate taxes paid by a taxpayer subject to the alternative minimum tax.

The mortgage interest and real estate taxes described above will also be allowable as deductions for New York State income tax purposes to a resident individual. We express no opinion

with respect to these items under the New York State personal income tax on nonresidents. We also express no opinion as to the taxation of Unit Owners who are not individuals.

We have reviewed various documents included as exhibits to the Plan relating to the organization of the Board of Managers of 150 Nassau Condominium("the Association"), including the Declaration of Condominium and By-Laws of the Condominium (which are the instruments creating the Association).

Our opinion has been requested as to whether the Association will be eligible to qualify as a tax-exempt organization for federal income tax purposes. In order for the Association to qualify as an exempt organization for federal income tax purposes under Code Section 528, it must meet the following six conditions:

(1) The Association must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of the Association's property.

(2) Sixty percent (60%) or more of the Association's gross income for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of residential units.

(3) Ninety percent (90%) or more of the expenditures of the Association for the taxable year must be expenditures for the acquisition, construction, management, maintenance, and care of the Association's property.

(4) No part of the net earnings of the Association may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management, maintenance, and care of the Association's property and other than by a rebate of excess membership dues, fees, or assessments.

(5) The Association must qualify as a "condominium management association," which is an organization meeting the requirements of condition (1), above, with respect to a condominium project substantially all the units of which are used by individuals for residences.

(6) The Association must properly elect to have Code Section 528 apply for the taxable year.

"Substantially all the units" of a condominium management association will be considered as used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all Units within the project is used by individuals for residential purposes. Units that are used for purposes auxiliary to residential use are considered as used for residential purposes. These auxiliary purposes include laundry areas, storage rooms, and areas used by maintenance personnel. A special limitation is established for transient use. No building or Unit will be considered as used for residential purposes if, for more than one half the days in the Association's taxable year, such Unit or building is occupied by a person or series of persons each of whom occupies the Unit or building for less than thirty days.

You have advised us that at least eighty-five (85%) per cent of the total square footage of all units will be used by individuals for residential purposes. Accordingly, the "substantially all" test should be met.

You have also advised us that the apartments in the Reserved Unit will be rented for a period of more than thirty (30) days.

As a result, assuming the Plan is consummated in accordance with its provisions, it is our opinion that the Association will be eligible to elect tax-exempt status under Code Sec. 528.

This opinion deals only with the specific tax matters discussed above, which do not necessarily comprise all tax matters which may be significant to purchasers of Units. We express no views as to any federal, New York State or New York City tax consequences other than as explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any foreign jurisdiction. Accordingly, it is recommended that each prospective purchaser of a Unit consult with his own tax advisor concerning the federal, New York State, and New York City tax consequences of the purchase and ownership of a Unit.

This opinion is based solely on the facts and documents referred to above. No warranties are made that the tax laws upon

which counsel bases this opinion will not change. In no event will the Sponsor, counsel to Sponsor, special tax counsel to the Sponsor, the Association, or any other person be liable if, by reason of future changes in fact or applicable law, regulations, decisional law, or Internal Revenue Service rulings, the tax consequences described previously should change.

We consent to the use of this opinion letter as an exhibit to the Plan.

Very truly yours,

HOFFINGER FRIEDLAND DOBRISH
& STERN, P.C.

By: Warren R. Gleicher
Warren R. Gleicher
Vice President

WRG:knc

ATTORNEY'S 421-g REAL ESTATE TAX EXEMPTION BENEFITS OPINION

LAW OFFICES

PODELL, SCHWARTZ, SCHECHTER & BANFIELD, LLP

SENIOR COUNSEL
ALLAN C. SCHWARTZ

SPECIAL COUNSEL
MELVYN M. ROTHMAN
VICTOR HADE

OF COUNSEL
IRVING HERBERT (DEC.)
LEONARD OLARSCH
BENJAMIN STERN
OWEN B. CARRAGHER

605 THIRD AVENUE
NEW YORK, NY 10158

(212) 883-6500
FAX: (212) 883-6518

457 MADISON AVENUE
NEW YORK, NY 10022
TEL: (212) 220-3770
FAX: (212) 220-3776

1205 FRANKLIN AVENUE
GARDEN CITY, NY 11530
TEL: (516) 248-5827
FAX: (516) 248-5854

50 MAIN STREET
WHITE PLAINS, NY 10606
TEL: (914) 682-2137
FAX: (914) 682-3136

June 19, 2001

150 Nassau Associates, LLC
c/o YT&T Holdings, Inc.
500 Fifth Avenue
New York, New York 10110

Re: 150 NASSAU CONDOMINIUM
150 Nassau Street
Block: 100 Lot: 3
Borough: Manhattan

Gentlemen:

You have requested that we provide you with an estimate of the above property's real estate tax liability following its conversion to a residential condominium.

You have advised us that you intend to convert the existing commercial building located at 150 Nassau Street into a residential condominium containing 190,596 square feet of gross building area, and consisting of 125 residential units, ground level retail space and below-grade parking. You have also advised us that construction will commence in July, 2001 and be completed in November, 2002. You have further advised us that the building has been granted landmark status, the converted building will contain less than 12% nonresidential floor area, and no new floor area will be added to the existing structure.

Although the setting of an assessment on any particular property is subject to an individual assessor's subjective determination based upon general assessment guidelines, it is possible to estimate an approximate assessed value based upon a number of factors. These factors include actual construction costs, the property's location, a hypothetical economic analysis of the residential condominium as if it were a rental property; assessed valuations of comparable buildings and New York City Department of Finance Assessment Guidelines. We have examined these factors in arriving at our estimates.

The assessment history on the property, is as follows:

		Land	Total
Final 2001/2002	Actual	$2,000,000	$3,600,000
	Transition	2,124,000	2,971,500
Final 2000/2001	Actual	1,980,000	3,060,000
	Transition	1,980,000	2,862,000

New York City is an annual assessing jurisdiction and is required to assess property for each upcoming fiscal tax year (July 1 - June 30) based upon its use and condition on January 5th (taxable status date).

The first taxable status date subsequent to completion of construction will be January 5, 2003, which will be the basis for the 2003/2004 assessed value of the property. We estimate that the total post-construction assessed valuation on the entire property for 2003/2004 will be as follows:

	Land	Total
Actual	$3,000,000	$12,500,000
Transition	2,532,000	11,867,000

Assuming a residential tax rate of 10.847% (the final 2000/2001 tax rate), the gross real estate taxes due on the entire condominium property should be in the approximate amount of $1,287,200 for the fiscal year July 1, 2003 through June 30, 2004.

You have advised us that you intend to apply for real property tax exemption and abatement benefits available to eligible non-residential properties that are converted to residential use pursuant to Section 421-g of the New York Real Property Tax Law.

For landmark buildings converted to residential use under the 421-g Program, the increase in assessed value attributable exclusively to the property's physical improvement (i.e., "alteration increase") is exempted from real property taxation (other than special assessments for local improvements) for a period of thirteen (13) years. In this regard, 100% of the physical increase is exempted during years one through nine;

exemption benefits are thereafter phased out at 20% per year during years ten through thirteen.

In addition to the exemption benefits set forth above, property taxes equal to the amount of tax that would otherwise be due in the first year following completion of the conversion are abated for a period of fifteen years. During years one through eleven, 100% of this amount is abated; during years twelve through fifteen, abatement benefits are phased out at 20% per year.

If your 421-g Application is approved, the exemption on the property should equal 100% of the physical increase in the property's assessed value which we estimate to be in the range of $8,500,000. Abatement benefits would be calculated and determined based on the property's non-exempt 2003/2004 taxable assessed value which we estimate to be in the range of $3,367,000. Assuming a tax rate of 10.847%, the property's 421-g abatement would be in the approximate amount of $365,220. Therefore, there would be no real estate taxes due on the property for tax year 2003/2004.

It is the policy and practice of the New York City Department of Finance to assign separate tax lots and apportion the assessed valuation of a condominium among the various units, after consideration of the percentage of common interest and relative projected sales prices contained in the Offering Plan.

This letter was prepared at the sponsor's request. The figures set forth herein are approximations derived from material submitted by the sponsor and are subject to variation. No government agency has passed upon these figures or the estimates of assessed valuation and taxes herein. We have not passed on the accuracy of any figures or estimates contained in the Offering Plan, and offer no warranties on real estate taxes for any period. All prospective purchasers are advised that, although the estimate of assessed valuation upon completion of construction is a good faith estimate, such assessed valuation when actually made may be less or greater than as estimated herein.

The above estimates do not take into account any future increases in the level of assessed valuation applied to residential property or any increase in the real estate tax rate. The above opinion is based upon our interpretation of The

New York State Real Property Tax Law and The Administrative Code of the City of New York and is not intended to be a guarantee or assurance that the actual tax assessments or actual taxes will be as estimated.

No representation is made that the provisions of law or New York City Department of Finance policies and practices will apply at the time the construction of the building is complete. You should be aware that the laws, regulations and practices of the Department of Finance upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York, or Courts of competent jurisdiction.

While we believe our opinions are well-founded, they are not intended, and should not be construed as representations or warranties that assessment and taxes will not be determined in a different amount. The foregoing analysis is based upon our knowledge of the making and review of assessments by the Real Property Assessment Department and the Tax Commission of the City of New York with respect to newly constructed residential properties held in the condominium form of ownership. Application of a particular approach to valuation by an individual assessor may yield a different result.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,

PODELL, SCHWARTZ, SCHECHTER
& BANFIELD, LLP

BY: _____
Israel Schechter

IS/pg

UNIT OWNER'S SPECIMEN TITLE POLICY

ISSUED BY
COMMONWEALTH LAND TITLE INSURANCE COMPANY

OWNER'S POLICY OF TITLE INSURANCE

Commonwealth
A LANDAMERICA COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, COMMONWEALTH LAND TITLE INSURANCE COMPANY, a Pennsylvania corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

SPECIMEN

IN WITNESS WHEREOF, COMMONWEALTH LAND TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, this Policy to become valid when countersigned by an authorized officer or agent of the Company.

COMMONWEALTH LAND TITLE INSURANCE COMPANY

Attest: Wm. Chadwick Perrine
Secretary

By: Janet A. Alpert
President

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the affect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:

   (a) created, suffered, assumed or agreed to by the insured claimant;

   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;

   (c) resulting in no loss or damage to the insured claimant;

   (d) attaching or created subsequent to Date of Policy; or

   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:

   (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or

   (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:

      (i) to timely record the instrument of transfer; or

      (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.



Commonwealth

COMMONWEALTH LAND TITLE INSURANCE COMPANY

SCHEDULE A

Amount of Insurance: $

Policy/Title No. NY011046

Date of Policy: _____

1. Name of Insured: _____

SPECIMEN

2. The estate or interest in the land which is covered by this policy is:

Fee Simple

3. Title to the estate or interest in the land is vested in the Insured by means of:

Deed from _____LLC to , dated _____ and recorded on _____ in Reel ___ Page ___.

4. The land referred to in this policy is described on the annexed schedule.

COMMONWEALTH LAND TITLE INSURANCE COMPANY

Countersigned:_____
Authorized Officer or Agent

Valid Only if Schedule B and Cover Are Attached

Policy/Title No. NY011046

SCHEDULE A - ITEM 4

The Condominium Unit (the "Unit") in the Building known as 150 Nassau Condominium located at and known as and by street number 150 Nassau Street in New York, New York), designated and described as Unit No. _____ in the Declaration establishing a plan for condominium ownership of said Building and the land upon which it is situate under Article 9-B of the Real Property Law of the State of New York, dated _____ and recorded _____ in the Office of the Register of the City of New York, County of New York in Reel _____ Page _____, said Unit also being designated as Tax Lot ____ in Block of Section ___ of the Borough of on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans of the said Building, certified by _____, on _____ and filed in the Real Property Assessment Department of the City of New York on _____ as Condominium Plan No. and also find in the City Register's Office on _____ as Condominium Map No. _____.

TOGETHER with an undivided _____ percent interest in Common Elements of the Condominium as described in the Declaration.

The land upon which the Building containing the Unit is situate is described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

SPECIMEN

BEGINNING at the corner formed by the southerly side of Spruce Street with the easterly side of Nassau Street;

THENCE easterly along the southerly side of Spruce Street, 94 feet 8 inches;

THENCE southerly on a line parallel with the easterly side of Nassau Street, 100 feet 6 inches;

THENCE westerly on a line parallel with the southerly side of Spruce Street, 93 feet 3-1/2 inches to the easterly side of Nassau Street;

THENCE northerly along the easterly side of Nassau Street, 100 feet 6-1/2 inches to the southerly side of Spruce Street at the point or place of BEGINNING.

Policy/Title No. NY011046

SCHEDULE B
Exceptions from Coverage

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of the following:

1. Any state of facts which an accurate Survey of the building and the unit would show, but policy insures that any encroachments by the Insured Unit on any adjoining Unit or on common areas may remain undisturbed as long as it shall stand.

2. Covenants, conditions, easements, agreements of records, etc.:

   a. Notice of Landmark Designation recorded 6/26/01 in Reel 3311 Page 279.

3. Terms, covenants and conditions set forth in the Declaration of Condominium and By-Laws dated and recorded on in , but policy insures against loss or damage occasioned by the premises not being a part of a Condominium validly created pursuant to Article 9B of the Real Property Law.

SPECIMEN

345

NEW YORK OFFICES

NEW YORK STATE OFFICE
655 Third Avenue
New York, New York 10017
(212) 949-0100

ALBANY
286 Washington Ave. Extension
Corporate Plaza West
Albany New York 12203
(518) 452-4525

BUFFALO
298 Main Street
Buffalo, New York 14202
(716) 853-6800

GARDEN CITY
1325 Franklin Ave. Suite 101
Garden City, New York 11530
(516) 742-7474

NEW CITY
17 Squadron Boulevard
New York, New York 10956
(914) 634-7070

ISLANDIA
1777-6 Veterans Memorial Hwy
Islandia, New York 11722
(516) 232-3503
(516) 232-3617

WHITE PLAINS
50 Main Street
White Plains, New York 10606
(914) 949-0002

NATIONAL TITLE SERVICE
655 Third Avenue
New York, New York 10017
(212) 949-0100

SPECIMEN

OWNER'S POLICY OF TITLE INSURANCE (10-17-92)

AMERICAN LAND TITLE ASSOCIATION

ISSUED BY
COMMONWEALTH LAND TITLE INSURANCE COMPANY

Commonwealth
A LANDAMERICA COMPANY

Title Insurance Since 1876

HOME OFFICE:
101 Gateway Centre Parkway, Gateway One
Richmond, Virginia 23235-5153

B 1190-3

A WORD OF THANKS .....

As we make your policy a part of our permanent records, we want to express our appreciation of this evidence of your faith in Commonwealth Land Title Insurance Company.

There is no recurring premium.

This policy provides valuable title protection and we suggest you keep it in a safe place where it will be readily available for future reference.

If you have any questions about the protection provided by this policy, contact the office that issued your policy or you may write to:

Consumer Affairs Department

Commonwealth Land Title Insurance Company

P.O. Box 27567
Richmond, Virginia 23261-7567
TOLL FREE NUMBER: 1-800-446-7086

FORM W-8

(CERTIFICATION OF FOREIGN STATUS)

Form **W-8**
(Rev. February 1991)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status

Please print or type

Name of beneficial owner (if joint account, also give joint owner's name) | **U.S. taxpayer identification number** (if any)

Permanent Address (See *Specific Instructions.*) (Include apt. or suite no.)

City, province or state, postal code and country

Current Mailing Address, if different (Include apt. or suite no., or P.O. box if mail is not delivered to street address.)

City, town or post office, state, and ZIP code (If foreign address, enter city, province or state, postal code and country.)

List account information here (Optional, see *Specific Instructions.*) ▶ | Account number(s) | Account type

Notice of Change in Status.—To notify the payer, mortgage interest recipient, broker or barter exchange that you no longer qualify for exemption, check here . . . . . ▶ ☐
If you check this box, reporting will begin on the account(s) listed.

Please Sign Here

Certification.—(Check applicable box(es)). Under penalties of perjury, I certify that:

☐ For **INTEREST PAYMENTS**, I am not a U.S. citizen or resident (or I am filing for a foreign corporation, partnership, estate, or trust); **AND**

☐ For **BROKER TRANSACTIONS** or **BARTER EXCHANGES**, I am an exempt foreign person as defined in the instructions below.

▶ Signature | Date

General Instructions

(Section references are to the Internal Revenue Code unless otherwise noted.)

Purpose of Form.—Use Form W-8 or a substitute form containing a substantially similar statement to tell the payer, mortgage interest recipient, middleman, broker, or barter exchange that you are a nonresident alien individual, foreign entity, or exempt foreign person not subject to certain U.S. information return reporting or backup withholding rules.

Caution: *Form W-8 does not exempt the payee from the 30% (or lower treaty) withholding rates.*

Nonresident Alien Individual.—For income tax purposes, the term **nonresident alien individual** means an individual who is neither a U.S. citizen nor resident. Generally, an alien is considered to be a U.S. resident if:

- The individual was a lawful permanent resident of the United States at any time during the calendar year, that is, the alien held an immigrant visa (a "green card"), or
- The individual was physically present in the United States on:

(1) at least 31 days during the calendar year, and

(2) 183 days or more during the current year and the 2 preceding calendar years (counting all the days of physical presence in the current year, 1/3 the number of days of presence in the first preceding year, and only 1/6 of the number of days in the second preceding year).

See **Pub. 519**, U.S. Tax Guide for Aliens, for more information on resident and nonresident alien status.

Exempt Foreign Person.—For purposes of this form, you are an **exempt foreign person** for a calendar year in which:

- You are a nonresident alien individual or a foreign corporation, partnership, estate or trust, and
- You are not engaged, or plan to be engaged during the year, in a U.S. trade or business that has effectively connected gains from the broker or barter exchange, or your country has a tax treaty with the U.S. that exempts your transactions from U.S. taxes.

Who May Not File.—If you are a nonresident alien individual married to a U.S. citizen or resident and have made an election under section 6013(g) or (h), you are treated as a U.S. resident and may not use Form W-8.

When To File.— Form W-8 or substitute form should be filed before a payment is made. Otherwise, the payer may have to withhold and send 20% of the payment to the Internal Revenue Service (see *Backup Withholding* below). This certificate generally remains in effect for three calendar years. However, the payer may require you to file a new certificate each time a payment is made to you.

Where To File.—File this form with the payer of the qualifying income who is the withholding agent (see *Withholding Agent* on page 2). You may wish to keep a copy for your own records.

Backup Withholding.—A U.S. taxpayer identification number or Form W-8 or substitute form must be given to the payers of certain income. If a taxpayer identification number or Form W-8 or substitute form is not provided or the wrong taxpayer identification number is provided, these payers may have to withhold 20% of each payment or transaction. This is called "backup withholding."

Reportable payments subject to backup withholding rules are:

- Interest payments under section 6049(a).
- Dividend payments under sections 6042(a) and 6044.
- Other payments (i.e., royalties and payments from broker and barter exchanges) under sections 6041, 6041A(a), 6045, 6050A and 6050N.

If backup withholding occurs, an exempt foreign person who is a nonresident alien individual may get a refund by filing **Form 1040NR**, U.S. Nonresident Alien Income Tax Return, with the Internal Revenue Service Center, Philadelphia, PA 19255, even if filing the return is not otherwise required.

U.S. Taxpayer Identification Number.—The Internal Revenue law requires that certain income be reported to the Internal Revenue Service using a U.S. taxpayer identification number (TIN). This number can be a social security number assigned to individuals by the Social Security Administration or an employer identification number assigned to businesses and other entities by the Internal Revenue Service.

(Continued on back.)

Payments to account holders who are foreign persons (nonresident alien individuals, foreign corporations, partnerships, estates or trusts) generally are not subject to U.S. reporting requirements. Also, foreign persons are not generally required to have a U.S. taxpayer identification number, nor are they subject to any backup withholding because they do not furnish such a number to a payer or broker.

However, foreign persons with income effectively connected with a trade or business in the United States (income subject to regular (graduated) income tax), must have a TIN. To apply for a TIN, use **Form SS-4,** Application for Employer Identification Number, or **Form SS-5,** Application for a Social Security Card, available from Social Security Administration district offices.

Special Rules

Mortgage Interest.—For purposes of the reporting rules, mortgage interest is interest paid on a mortgage to a person engaged in a trade or business originating mortgages in the course of that trade or business. A mortgage interest recipient is one who receives interest on a mortgage that was acquired in the course of a trade or business.

Mortgage interest is not subject to backup withholding rules, but is subject to reporting requirements under section 6050H. Generally, however, the reporting requirements do not apply if the payer of record is a nonresident alien individual who pays interest on a mortgage not secured by real property in the United States. Use Form W-8 or substitute statement to notify the mortgage interest recipient that the payer is a nonresident alien individual.

Portfolio Interest.—Generally, portfolio interest paid to a nonresident alien individual or foreign partnership, estate or trust is not subject to backup withholding rules. However, if interest is paid on portfolio investments to a beneficial owner that is neither a financial institution nor a member of a clearing organization, Form W-8 or substitute form is required.

Registered obligations not targeted to foreign markets qualify as portfolio interest not subject to 30% withholding but require the filing of Form W-8 or substitute form.

See **Pub. 515,** Withholding of Tax on Nonresident Aliens and Foreign Corporations, for **registered obligations targeted to foreign markets** and when Form W-8 or substitute form is not required on these payments.

See *Instructions to Withholding Agents* for reporting rule on portfolio interest.

Bearer Obligations.—The interest from bearer obligations targeted to foreign markets is treated as portfolio interest and is not subject to 30% withholding. Form W-8 or substitute form is not required.

Broker or Barter Exchanges.—Income from broker or barter exchanges is subject to reporting rules and backup withholding unless Form W-8 or substitute form is filed to notify the broker or barter exchange that you are an exempt foreign person as defined on page 1.

A **broker** includes a dealer, barter exchange, and any other person who, in the ordinary course of a trade or business, regularly acts as a middleman with respect to property or services.

A **barter exchange** is any organization of members providing property or services who jointly contract to trade or barter such property or services.

A **person** also includes any governmental unit, agency or instrumentality thereof.

Specific Instructions

U.S. Taxpayer Identification Number.—If you have a U.S. taxpayer identification number, enter your number in this space (see the discussion earlier).

Permanent Address.—Enter your complete address in the country where you reside permanently for income tax purposes.

If you are:	*Show the address of:*
An individual	Your permanent residence
A partnership or corporation	Principal office
An estate or trust	Permanent residence or principal office of any fiduciary

Also show your current mailing address if it differs from your permanent address.

Account Information (optional).—If you have **more than one account** (savings, certificate of deposit, pension, IRA, etc.) with the same payer, list all account numbers and types on one Form W-8 or substitute form unless your payer requires you to file a separate certificate for each account.

If you have **more than one payer,** file a separate Form W-8 with each payer.

Signature.—If only one foreign person owns the account(s) listed on this form, that foreign person should sign the Form W-8.

If each owner of a joint account is a foreign person, each should sign a separate Form W-8.

Notice of Change in Status.—If you become a U.S. citizen or resident after you have filed Form W-8 or substitute form, or you cease to be an exempt foreign person, you must notify the payer in writing within 30 days of your change in status.

To notify the payer, you may check the box in the space provided on this form or use the method prescribed by the payer.

Reporting will then begin on the account(s) listed and backup withholding may also begin unless you certify to the payer that:

(1) The U.S. taxpayer identification number you have given is correct, **and**

(2) The Internal Revenue Service has not notified you that you are subject to backup withholding because you failed to report certain income.

You may use **Form W-9,** Request for Taxpayer Identification Number and Certification, to make these certifications.

If an account is no longer active, you do not have to notify a payer of your change in status unless you also have another account with the same payer that is still active.

False Certificate.—If you file a false certificate when you are not entitled to the exemption from withholding or reporting, you may be subject to fines and/or imprisonment under U.S. perjury laws.

Instructions to Withholding Agents

Withholding Agent.—Generally, the person responsible for payment of the items discussed above to a nonresident alien individual or foreign entity is the withholding agent (see Pub. 515).

Retention of Statement.—Form W-8 or substitute statement must be retained in the records of the withholding agent for at least four years following the end of the last calendar year during which the payment is paid or collected.

Portfolio Interest.—Although registered obligations not targeted to foreign markets are not subject to 30% withholding, you must file **Form 1042S,** Foreign Person's U.S. Source Income Subject to Withholding, to report the interest payment. Both Form 1042S and a copy of Form W-8 or substitute form must be attached to **Form 1042,** Annual Withholding Tax Return for U.S. Source Income of Foreign Persons.

•U.S. GPO:1991-265-090

FORM W-9 (REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

Form **W-9**
(Rev. April 1990)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give this form to the requester. Do NOT send to IRS.

Please print or type

Name (If joint names, list first and circle the name of the person or entity whose number you enter in Part I below. See instructions under "Name" if your name has changed.)

Address (number and street)

List account number(s) here (optional)

City, state, and ZIP code

Part I Taxpayer Identification Number (TIN)

Enter your taxpayer identification number in the appropriate box. For individuals and sole proprietors, this is your social security number. For other entities, it is your employer identification number. If you do not have a number, see *How To Obtain a TIN*, below.

Note: *If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.*

Social security number

OR

Employer identification number

Part II For Payees Exempt From Backup Withholding (See Instructions)

Requester's name and address (optional)

Certification.—Under penalties of perjury, I certify that:

(1) The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**

(2) I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding.

Certification Instructions.—You must cross out item (2) above if you have been notified by IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. For real estate transactions, item (2) does not apply. For mortgage interest paid, the acquisition or abandonment of secured property, contributions to an individual retirement arrangement (IRA), and generally payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (Also see *Signing the Certification* under *Specific Instructions*, on page 2.)

Please Sign Here Signature ▶ Date ▶

Instructions

(Section references are to the Internal Revenue Code.)

Purpose of Form.—A person who is required to file an information return with IRS must obtain your correct taxpayer identification number (TIN) to report income paid to you, real estate transactions, mortgage interest you paid, the acquisition or abandonment of secured property, or contributions you made to an individual retirement arrangement (IRA). Use Form W-9 to furnish your correct TIN to the requester (the person asking you to furnish your TIN), and, when applicable, (1) to certify that the TIN you are furnishing is correct (or that you are waiting for a number to be issued), (2) to certify that you are not subject to backup withholding, and (3) to claim exemption from backup withholding if you are an exempt payee. Furnishing your correct TIN and making the appropriate certifications will prevent certain payments from being subject to the 20% backup withholding.

Note: *If a requester gives you a form other than a W-9 to request your TIN, you must use the requester's form.*

How To Obtain a TIN.—If you do not have a TIN, apply for one immediately. To apply, get **Form SS-5**, Application for a Social Security Number Card (for individuals), from your local office of the Social Security Administration, or **Form SS-4**, Application for Employer Identification Number (for businesses and all other entities), from your local Internal Revenue Service office.

To complete Form W-9 if you do not have a TIN, write "Applied For" in the space for the TIN in Part I, sign and date the form, and give it to the requester. Generally, you will then have 60 days to obtain a TIN and furnish it to the requester. If the requester does not receive your TIN within 60 days, backup withholding, if applicable, will begin and continue until you furnish your TIN to the requester. For reportable interest or dividend payments, the payer must exercise one of the following options concerning backup withholding during this 60-day period. Under option (1), a payer must backup withhold on any withdrawals you make from your account after 7 business days after the requester receives this form back from you. Under option (2), the payer must backup withhold on any reportable interest or dividend payments made to your account, regardless of whether you make any withdrawals. The backup withholding under option (2) must begin no later than 7 business days after the requester receives this form back. Under option (2), the payer is required to refund the amounts withheld if your certified TIN is received within the 60-day period and you were not subject to backup withholding during that period.

Note: *Writing "Applied For" on the form means that you have already applied for a TIN OR that you intend to apply for one in the near future.*

As soon as you receive your TIN, complete another Form W-9, include your TIN, sign and date the form, and give it to the requester.

What Is Backup Withholding?—Persons making certain payments to you are required to withhold and pay to IRS 20% of such payments under certain conditions. This is called "backup withholding." Payments that could be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee compensation, and certain payments from fishing boat operators, but do not include real estate transactions.

If you give the requester your correct TIN, make the appropriate certifications, and report all your taxable interest and dividends on your tax return, your payments will not be subject to backup withholding. Payments you receive will be subject to backup withholding if:

(1) You do not furnish your TIN to the requester, or

(2) IRS notifies the requester that you furnished an incorrect TIN, or

(3) You are notified by IRS that you are subject to backup withholding because you failed to report all your interest and dividends on your tax return (for reportable interest and dividends only), or

(4) You fail to certify to the requester that you are not subject to backup withholding under (3) above (for reportable interest and dividend accounts opened after 1983 only), or

(5) You fail to certify your TIN. This applies only to reportable interest, dividend, broker, or barter exchange accounts opened after 1983, or broker accounts considered inactive in 1983.

Except as explained in (5) above, other reportable payments are subject to backup withholding only if (1) or (2) above applies.

Certain payees and payments are exempt from backup withholding and information reporting. See *Payees and Payments Exempt From Backup Withholding*, below, and *Exempt Payees and Payments* under *Specific Instructions*, on page 2, if you are an exempt payee.

Payees and Payments Exempt From Backup Withholding.—The following is a list of payees exempt from backup withholding and for which no information reporting is required. For interest and dividends, all listed payees are exempt except item (9). For broker transactions, payees listed in (1) through (13) and a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker are exempt. Payments subject to reporting under sections 6041 and 6041A are generally exempt from backup withholding only if made to payees described in items (1) through (7), except that a corporation that provides medical and health care services or bills and collects payments for such services is

not exempt from backup withholding or information reporting. Only payees described in items (2) through (6) are exempt from backup withholding for barter exchange transactions, patronage dividends, and payments by certain fishing boat operators.

(1) A corporation.

(2) An organization exempt from tax under section 501(a), or an individual retirement plan (IRA), or a custodial account under 403(b)(7).

(3) The United States or any of its agencies or instrumentalities.

(4) A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities.

(5) A foreign government or any of its political subdivisions, agencies, or instrumentalities.

(6) An international organization or any of its agencies or instrumentalities.

(7) A foreign central bank of issue.

(8) A dealer in securities or commodities required to register in the U.S. or a possession of the U.S.

(9) A futures commission merchant registered with the Commodity Futures Trading Commission.

(10) A real estate investment trust.

(11) An entity registered at all times during the tax year under the Investment Company Act of 1940.

(12) A common trust fund operated by a bank under section 584(a).

(13) A financial institution.

(14) A middleman known in the investment community as a nominee or listed in the most recent publication of the American Society of Corporate Secretaries, Inc., Nominee List.

(15) A trust exempt from tax under section 664 or described in section 4947.

Payments of **dividends** and **patronage dividends** generally not subject to backup withholding also include the following:

- Payments to nonresident aliens subject to withholding under section 1441.
- Payments to partnerships not engaged in a trade or business in the U.S. and that have at least one nonresident partner.
- Payments of patronage dividends not paid in money.
- Payments made by certain foreign organizations.

Payments of **interest** generally not subject to backup withholding include the following:

- Payments of interest on obligations issued by individuals. **Note:** *You may be subject to backup withholding if this interest is $600 or more and is paid in the course of the payer's trade or business and you have not provided your correct TIN to the payer.*
- Payments of tax-exempt interest (including exempt-interest dividends under section 852).
- Payments described in section 6049(b)(5) to nonresident aliens.
- Payments on tax-free covenant bonds under section 1451.
- Payments made by certain foreign organizations.
- Mortgage interest paid by you.

Payments that are not subject to information reporting are also not subject to backup withholding. For details, see sections 6041, 6041A(a), 6042, 6044, 6045, 6049, 6050A, and 6050N, and the regulations under those sections.

Penalties

Failure To Furnish TIN.—If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil Penalty for False Information With Respect to Withholding.—If you make a false statement with no reasonable basis that results in no imposition of backup withholding, you are subject to a penalty of $500.

Criminal Penalty for Falsifying Information.—Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Specific Instructions

Name.—If you are an individual, you must generally provide the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage, without informing the Social Security Administration of the name change, please enter your first name and both the last name shown on your social security card and your new last name.

Signing the Certification.—

(1) Interest, Dividend, and Barter Exchange Accounts Opened Before 1984 and Broker Accounts That Were Considered Active During 1983.—You are not required to sign the certification; however, you may do so. You are required to provide your correct TIN.

(2) Interest, Dividend, Broker and Barter Exchange Accounts Opened After 1983 and Broker Accounts That Were Considered Inactive During 1983.—You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item (2) in the certification before signing the form.

(3) Real Estate Transactions.—You must sign the certification. You may cross out item (2) of the certification if you wish.

(4) Other Payments.—You are required to furnish your correct TIN, but you are not required to sign the certification unless you have been notified of an incorrect TIN. Other payments include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services, payments to a nonemployee for services (including attorney and accounting fees), and payments to certain fishing boat crew members.

(5) Mortgage Interest Paid by You, Acquisition or Abandonment of Secured Property, or IRA Contributions.—You are required to furnish your correct TIN, but you are not required to sign the certification.

(6) Exempt Payees and Payments.—If you are exempt from backup withholding, you should complete this form to avoid possible erroneous backup withholding. Enter your correct TIN in Part I, write "EXEMPT" in the block in Part II, sign and date the form. If you are a nonresident alien or foreign entity not subject to backup withholding, give the requester a completed **Form W-8**, Certificate of Foreign Status.

(7) TIN "Applied For."—Follow the instructions under *How To Obtain a TIN*, on page 1, sign and date this form.

Signature.—For a joint account, only the person whose TIN is shown in Part I should sign the form.

Privacy Act Notice.—Section 6109 requires you to furnish your correct taxpayer identification number (TIN) to persons who must file information returns with IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, or contributions you made to an individual retirement arrangement (IRA). IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 20% of taxable interest, dividend, and certain other payments to a payee who does not furnish a TIN to a payer. Certain penalties may also apply.

What Name and Number To Give the Requester

For this type of account:	Give the name and SOCIAL SECURITY number of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor[2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
5. Sole proprietorship	The owner[3]

For this type of account:	Give the name and EMPLOYER IDENTIFICATION number of:
6. A valid trust, estate, or pension trust	Legal entity (Do not furnish the identification number of the personal representative or trustee unless the legal entity itself is not designated in the account title.)[4]
7. Corporate	The corporation
8. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
9. Partnership	The partnership
10. A broker or registered nominee	The broker or nominee
11. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

[1] List first and circle the name of the person whose number you furnish.

[2] Circle the minor's name and furnish the minor's social security number.

[3] Show the individual's name.

[4] List first and circle the name of the legal trust, estate, or pension trust.

Note: *If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.*

• U S GPO 1990-0-265-091

APPLICATION TO THE ATTORNEY GENERAL FOR
A DETERMINATION OF THE DISPOSITION OF DOWNPAYMENTS

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWNPAYMENTS

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: _____
Address of Building or Name of Project

File Number:

Application is made to the Attorney General to consider and determine the disposition of down payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application.

1. Name of Applicant _____

2. Address of Applicant _____

3. Name, Address, and Telephone Number of Applicant's Attorney (if any)

4. This is an application for

- ☐ return of downpayment
- ☐ forfeiture of downpayent
- ☐ other:

5. The project is structured as

- ☐ a conversion of occupied premises.
- ☐ newly constructed or rehabilitated.
- ☐ vacant (as is).

6. The project is structured as

- ☐ a cooperative.
- ☐ a condominium.
- ☐ a homeowners association.
- ☐ a timeshare.

- ☐ other:

7. Name and Address of Sponsor:

8. Name and Address of Escrow Agent:

9. If downpayments are maintained in an escrow account:

   (a) Name of Account

   (b) Name and Address of Bank

   (c) Account Number (if known)

   (d) Initial interest rate (if known)

10. If downpayments have been secured by bonds:

   (a) Name and Address of
   Bond Issuer or Surety:

   (b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND.)
   If not included, explain:

11. If downpayments have been secured by a Letter of Credit:

(a) Name and address of bank which issued the letter of credit:

(b) Date of expiration of the Letter of Credit, if known:

12. Plan information:

(a) Date of filing of plan:

(b) Plan ☐ has been declared effective. Approximate date:

☐ has not been declared effective.

(c) If effective, the plan

☐ has closed or the first unit has closed. Approximate date:

☐ has not closed.

☐ don't know.

(d) Downpayments are secured by

☐ escrow account.

☐ bonds.

☐ Letter of Credit.

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed:

(c) Date(s) of downpayment(s):

(d) Total amount of downpayment(s):

(e) Names and addresses of subscribers or purchasers affected by this application:

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

15. I am contemporaneously sending a copy of this application to the following persons:

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this Application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date:

Name (Printed):

Telephone: (Home) _____ (Business)

Mailing Address:

ESCROW AGREEMENT

ESCROW AGREEMENT FOR OFFERING PLAN RE: SPONSOR

AGREEMENT made as of the filing date of the Offering Plan (defined below), between 2 Spruce Street, LLC ("SPONSOR") as Sponsor of the Offering Plan and Greenstein Starr Gerstein & Rinaldi LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, Sponsor is the Sponsor of an offering plan for premises known as and located at 150 Nassau Street, New York, New York ("Offering Plan"); and

WHEREAS, Greenstein Starr Gerstein & Rinaldi LLP is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated thereunder; and

WHEREAS, Sponsor desires that Escrow Agent act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement and the Offering Plan.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1 Escrow Agent will establish a master escrow account for the purpose of holding deposits, downpayments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at a commercial or savings bank having a branch located in New York City entitled Greenstein Starr Gerstein & Rinaldi LLP ("Master Escrow Account").

1.2 All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. If Escrow Agent receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8 (Certificate of Foreign Status), as applicable, from a Purchaser at the time the Deposit is delivered to Escrow Agent, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

1.3 Partners in Escrow Agent are the sole signatories on the Master Escrow Account.

1.4 The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

1.5 All interest will be credited to Purchaser at such time as: (i) there is a closing under the Contract of Sale (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to Sponsor only in the event there is a "consummation of the Offering Plan" (as such term is defined in the Attorney General's regulations) and Purchaser defaults.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All funds received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Greenstein Starr Gerstein & Rinaldi LLP, as Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by Escrow Agent. In the event of such return of funds, the instrument shall be deemed not to have been delivered to Escrow Agent pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Contract of Sale"), Escrow Agent shall notify the Purchaser of the deposit of such funds in the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Contract of Sale and rescind within ninety (90) days after tender of the Deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Attorney General's regulations and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

3.1 Escrow Agent shall not release the Deposit of a defaulting Purchaser until after consummation of the Offering Plan. Consummation of the Offering Plan shall not relieve Sponsor of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 Escrow Agent shall continue to hold the Deposit in escrow until otherwise directed in (a) a writing signed by both Sponsor and Purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3.3 Sponsor shall not object and will be deemed to have agreed, without the need for a

written agreement, to the release of the Deposit to: (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or (b) all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.4 In the event Sponsor and a Purchaser close title under the Contract of Sale, Escrow Agent shall be entitled to release the Deposit to Sponsor without the need for a written agreement from Purchaser.

3.5 Except as otherwise set forth above, if there is no written agreement between the parties to release the Deposit, Escrow Agent shall not pay the funds to Sponsor until Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the Deposit may be paid to Sponsor unless the Purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and Escrow Agent has received notice from the Purchaser in accordance with such provisions.

4. RECORDKEEPING.

4.1 Escrow Agent shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

4.2 Upon the dissolution of Escrow Agent, the former partners of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 Escrow Agent shall make available to the Attorney General, upon request, all books and records of Escrow Agent relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 Escrow Agent shall maintain the Master Escrow Account under its direct supervision and control.

5.2 A fiduciary relationship shall exist between Escrow Agent and Purchasers, and Escrow Agent acknowledges its fiduciary obligations.

5.3 Escrow Agent shall not be liable to Sponsor for any error in judgment, mistake of fact or law or for any act or omission on Escrow Agent's part, including, without limitation, any act or omission which permits a Purchaser to rescind a Contract of Sale, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of Escrow Agent.

5.4 Escrow Agent shall be permitted to act as counsel for Sponsor in any dispute as to the disbursement of the Deposit or any other dispute between Sponsor and a Purchaser

whether or not Escrow Agent is in possession of the Deposit and continues to act as Escrow Agent.

5.5 Escrow Agent may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by Escrow Agent to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

5.6 Escrow Agent may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to Escrow Agent in respect of any action taken or omitted in good faith by Escrow Agent hereunder in accordance with the opinion of such counsel.

5.7 The provisions of paragraphs 5.5 and 5.6 shall apply only to Sponsor and nothing contained therein shall be in derogation of the rights of a purchaser under Article 23-A of the General Business Law.

6. RESPONSIBILITIES OF SPONSOR.

6.1 Sponsor agrees that Sponsor and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a partner of or attorney or legal assistant employed by Escrow Agent within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by Escrow Agent from time to time.

6.2 Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and compliance with the Attorney General's regulations.

6.3 Sponsor shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each Purchaser and deliver such form to Escrow Agent together with the Deposit and Contract of Sale.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is cancelled by either:

(a) Written notice given by Sponsor to Escrow Agent of cancellation of designation of Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent; or

(b) The resignation of Escrow Agent upon giving notice to Sponsor of its desire to so resign. Such resignation shall take effect on the date set forth in the notice from Escrow Agent, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of

Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation; or

(c) all units offered by Sponsor pursuant to the Offering Plan have been sold and no Deposits of Purchasers from Sponsor remain in the Master Escrow Account.

7.2 Upon termination of the duties of Escrow Agent as described in paragraph 7.1 (a) or (b) above, Escrow Agent shall deliver any and all funds held by Escrow Agent in escrow and any and all contracts or documents maintained by Escrow Agent relating to such funds to the new escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon Sponsor and Escrow Agent and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

Sponsor agrees to pay Escrow Agent for services rendered by its attorneys and paralegals and expenses incurred by Escrow Agent in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. Sponsor shall not be charged with any administrative costs for maintenance of the Master Escrow Account. Escrow Agent's fees and disbursements shall neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION.

Sponsor agrees to defend, indemnify and hold Escrow Agent harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of Escrow Agent's duties under this Agreement, except with respect to actions or omissions taken or

suffered by Escrow Agent in bad faith or in willful disregard of this Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by Escrow Agent to itself.

13. ALTERNATE SECURITY

In the event Sponsor is authorized by the Department of Law to post a Letter of Credit or Surety Bond as alternate security to secure all or a portion of the Deposits, Escrow Agent agrees to be the beneficiary of the Letter of Credit or Surety Bond, and to act as fiduciary with respect to such Letter of Credit or Surety Bond for the benefit of Purchasers under the Offering Plan whose Deposits were released from escrow in accordance with the "Escrow and Trust Fund " section of the Offering Plan or an amendment to the Offering Plan.

14. ENTIRE AGREEMENT.

This Agreement, read together with GBL Sections 352-e(2-b) and 352-h and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

GREENSTEIN STARR GERSTEIN & RINALDI LLP

By: _____
Name: Allan Starr, Esq.
Title: Partner

SPONSOR:

2 SPRUCE STREET LLC

By: _____
Name: Harold Schertz
Title: Managing Member

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS OF SPONSOR

New York State Department of Law
Real Estate Financing Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
150 Nassau Street
New York, New York

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR:

2 SPRUCE STREET LLC

By: _____
Name: Harold Schertz
Title: Managing Member

PRINCIPAL(S) OF SPONSOR:

_____
Yitzchak Tessler

_____
Harold Schertz

Severally sworn to before me
this 24 day of July, 2001

_____
Notary Public

PATRICIA A. AMATO
NOTARY PUBLIC, State of New York
No. 02AM5028607
Qualified in Westchester County
Commission Expires May 31, 2002

CERTIFICATION OF ARCHITECT

KARL FISCHER
ARCHITECTE
OAQ OAA RAIC AIA

June 26, 2001

New York State Department of Law
Real Estate Financing Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
150 Nassau Street
New York, New York

The sponsor of the condominium offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction and/or renovation of the property (the "Report"). We visually inspected existing portions of the renovated property, if any, on June 25 2001 and we examined the building plans and specifications that were prepared by KARL FISCHER Archt. dated MAY 9/01 and prepared the Report dated June 2001, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

We are a registered architect in the state in which the captioned property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of renovation, provided that renovation is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of renovation, provided that renovation is in accordance with the plans and specifications that we examined;

(iii) does not omit any material fact;

371 Broadway, 5th Floor, New York, NY 10013 USA
Tel : 212-625-8855 Fax : 212-625-8867
e-mail : karlfischer@gkarchitect.com

1420 Notre-Dame ouest, Montréal, QC H3C 1K9 CANADA
Tél : 514-933-4137 Fax : 514-933-0409
e-mail : mailkfa@kfarchitect.com
internet: www.kfarchitect.com

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where I/we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

KARL FISCHER ARCHITECTS

By: _____
Name: KARL FISCHER
Title: PRESIDENT



Sworn to before me this
10th day of June, 2001

_____
Notary Public
PATRICIA A. AMATO
NOTARY PUBLIC, State of New York
No. 02AM5028607
Qualified in Westchester County
Commission Expires May 31, 2002

371 Broadway, 5th Floor, New York, NY 10013 USA
Tel : 212-625-8855 Fax : 212-625-8867
e-mail : karlfischer@qkarchitect.com

1420 Notre-Dame ouest, Montréal, QC H3C 1K9 CANADA
Tél : 514-933-4137 Fax : 514-933-0409
e-mail : mailkfa@kfarchitect.com
internet: www.kfarchitect.com

CERTIFICATION OF BUDGET EXPERT



Bellmarc

Bellmarc Property Management

CERTIFICATION BY EXPERT
AS TO ADEQUACY OF CONDOMINIUM BUDGET

New York State Department of Law
Real Estate Financing Bureau
120 Broadway – 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
150 Nassau Street
New York, New York ("Property")

The undersigned, Bellmarc Property Management Services, Inc. certifies as follows:

The Sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B containing projections of income and expenses for the first year of condominium operation.

Bellmarc Property Management Services, Inc. has been engaged in the management of residential and commercial real estate for the past fourteen years managing approximately twenty-five buildings, and is a licensed real estate broker in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B.

We have prepared Schedule B and investigated the facts set forth in the Schedule and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience more fully set forth above.

We certify that the projections in Schedule B appear reasonable and adequate under existing circumstances and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule B:

(i) sets forth in detail the projected income and expenses for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor and we have no financial interest in this offering other than our fee for services rendered in connection with the preparation of Schedule B. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

Bellmarc Property Management Services, Inc.

By: _____

Name: John R. Jananagelo
Title: President

Sworn to before me
this 25 day of July, 2001

_____
Notary Public

JACKIE J. THERMIDOR
Notary Public, State of New York
No. 01TH600159
Qualified in Kings County
Commission Expires Dec. 8, 2001

CERTIFICATION OF BUDGET EXPERT CONCERNING
ADEQUACY OF PROJECTED ANNUAL ELECTRICITY COSTS
(SCHEDULE B-1)

Bellmarc

Bellmarc Property Management

CERTIFICATION OF EXPERT CONCERNING THE ADEQUACY OF PROJECTED ANNUAL ELECTRICITY COST PURSUANT TO SECTION 20.4 (d) OF PART 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A AS AMENDED

July 25, 2001

New York State Department of Law
120 Broadway
New York, NY 10271
Attn.: Real Estate Financing Bureau

Re: 150 Nassau Street Condominium
150 Nassau Street, New York, New York

The undersigned, Bellmarc Property Management Services, Inc. certifies as follows:

The sponsor of the Condominium Offering Plan for the above captioned property retained our firm to review Schedule B-1 to the Offering Plan containing projections of electricity costs payable by the owners of the residential units for the fiscal year September 1, 2002 through August 31, 2003.

Bellmarc Property Management Services, Inc. has been engaged in the management of residential and commercial real estate for the past fourteen years managing approximately twenty-five buildings, and is a licensed real estate broker in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B-1.

We have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying the Schedule with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B-1 appear reasonable and adequate under existing circumstances and appear to be sufficient to meet the anticipated electricity costs for the fiscal year September 1, 2002 through August 31, 2003.

We certify that the Schedule B-1:

(i) sets forth in detail the projected electrical usage and costs for the fiscal year September 1, 2002 through August 31, 2003;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representations or statements made.

We further certify that we are not owned or controlled by the Sponsor. We understand that a copy of this Certification is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on it. This statement is not intended as a guarantee or warranty of the electricity costs to residential unit owners for fiscal year September 1, 2002 through August 31, 2003.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

BELLMARC PROPERTY MANAGEMENT SERVICES, INC.

By: _____
Name: John R. Janangelo
Title: President

Sworn to before me this
25th day of July 2001.

_____
Notary Public

JACKIE J. THERMIDOR
Notary Public, State of New York
No. 01TH600159
Qualified in Kings County
Commission Expires Dec. 8, 2001

CERTIFICATION OF BUDGET EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNERS



Bellmarc

Bellmarc Property Management

CERTIFICATION BY SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNER PURSUANT TO SECTION 20.4 (e) OF PART 20 OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

July 25, 2001

New York State Department of Law
120 Broadway
New York, NY 10271
Attn.: Real Estate Financing Bureau

Re: 150 Nassau Street Condominium
150 Nassau Street, New York, New York

The undersigned, Bellmarc Property Management Services, Inc. certifies as follows:

The sponsor of the condominium Offering Plan for the above captioned property retained our firm to prepare Schedule B to the Offering Plan which includes projections of common charges payable by the owner of the commercial units.

Bellmarc Property Management Services, Inc. has been engaged in the management of residential and commercial real estate for the past fourteen years managing approximately twenty-five buildings, and is a licensed real estate broker in the State of New York.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the commercial units listed in Schedule B.

We have reviewed the Schedule as it impacts upon the commercial units and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedule for the common charges payable by the owner of the commercial units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first year of Condominium operation, and that the allocation of common charges attributable to the commercial units also reflects any special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owner of the commercial units:

(i) set forth in detail the projected common charges for the commercial units of Condominium for the projected first year of Condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owner of the commercial units;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of material fact;

(v) do not contain any fraud , deception, concealment, or suppression;

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth ; or (d) did not have knowledge concerning the representations or statements made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial units for the projected first year of Condominium operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

BELLMARC PROPERTY MANAGEMENT SERVICES, INC.

By: _____
Name: John R. Janangelo
Title: President

Sworn to before me this
25th of July 2001

_____
Notary Public

SARA JAKOB
Notary Public State of New York
No. 01JA5055285
Qualified in Kings County
Commission Expires 2/5/02

REAL PROPERTY LAW SECTION 339-kk

NY CLS REAL P § 339-KK (1998) printed in FULL format.

NEW YORK CONSOLIDATED LAW SERVICES
Copyright 1998, LEXIS Law Publishing, a division of Reed Elsevier Inc.
All rights reserved.

*** THIS SECTION IS CURRENT THROUGH 1998 CH. 600, 9/24/98 ***
*** WITH GAPS OF CHS. 4, 10, 56-58, 125, 152, 163, 168, 233, 264, 267
***
*** 280, 377, 381, 424, 489, 547, 589 ***

REAL PROPERTY LAW
ARTICLE 9-B. CONDOMINIUM ACT

NY CLS Real P § 339-kk (1998)

§ 339-kk. Rents

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any

non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

§HISTORY: Add, L 1998, ch 422, § 3, eff July 22, 1998 (see 1998 note below).

NOTES:

EDITOR'S NOTES:

Laws 1998, ch 422, §§ 4, 5, eff July 22, 1998, provide as follows:

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§ 5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.