CONDOMINIUM OFFERING PLAN
130 West 30th Street Condominium
130 West 30th Street
(a/k/a 128-134 West 30th Street)
New York, New York 10001
County of New York
A Landmark Cass Gilbert Designed Building

The Condominium will comprise 45 Residential Units, 16 Storage Units and 4 Commercial Units. The Residential Units and Storage Units are being offered for sale pursuant to this Offering Plan. The Commercial Units are not being offered for sale, but Sponsor may amend the Plan to offer them for sale.

Total Amount of Offering for All 45 Residential Units and 16 Storage Units (1):	$56,462,000
Projected Working Capital Fund of Condominium (2):	$78,328

(1) Offering prices are negotiable and may be changed (see "Section I. Changes in Prices and Units").

(2) The projected $78,328 Working Capital Fund will be funded by Purchasers if and when all Residential and Storage Units are sold and closed. At the First Closing, Sponsor will "advance" $40,000 to the Condominium's Working Capital Fund, which amount is to be reimbursed from the first Working Capital Payments made by Purchasers and may be diminished by not more than $20,000 to pay Sponsor certain net closing apportionments, if in favor of Sponsor. See "Section V. Working Capital Fund".

SPONSOR:
130 WEST 30TH, LLC
115 West 30th Street, Suite 203
New York, N.Y. 10001

SELLING AGENT:
INSIGNIA DOUGLAS ELLIMAN LLC
575 Madison Avenue
New York, N.Y. 10022

Date of Acceptance for Filing: May 19, 2003

The term of the initial offer is twelve (12) months commencing on the foregoing date of acceptance for filing of the Plan by the Department of Law. The term may be extended by an Amendment to the Plan.

SEE "SECTION A" FOR SPECIAL RISKS TO PURCHASERS.

THIS OFFERING PLAN IS THE ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES THE SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS PLAN AND TO FILE THIS 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 OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

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Table of Contents

PART I

Caption	Page
SECTION A. SPECIAL RISKS	A-1
A-1. Changes in Use of Commercial Units	A-1
A-2. Subdivision of Commercial Units	A-1
A-3. Federal Bank Deposit Insurance	A-1
A-4. Liquidated Damages	A-1
A-5. Special Work Payment	A-2
A-6. "Time of the Essence" Provisions under Purchase and Sale Agreement and Plan	A-2
A-7. Sponsor Voting Control of Condominium Board	A-2
A-8. No Mortgage Financing Contingency	A-2
A-9. Financing Risks	A-2
A-10. Resale Risk	A-3
A-11. Occupancy of Residential Units By Renters	A-3
A-12. Office Tenants	A-4
A-13. Two Year Period to Obtain Permanent Certificate of Occupancy	A-4
A-14. Projected Real Estate Taxes	A-4
A-15. Delinquency Closing Costs	A-5
A-16. Suspension of Voting Rights	A-5
A-17. Restriction on Ownership of Storage Units	A-5
A-18. Cancellation of Interim Lease	A-5
A-19. Board Consent Required for Lease Term of Less Than One (1) Year	A-6
A-20. Alterations and Decorations of Terraces and Windows	A-6
A-21. Status of Amenities and Services at First Closing	A-6
A-22. Construction Easements and Hours	A-6
A-23. Sponsor's Financial Resources for Construction and Carrying Costs of Unsold Units	A-7
A-24. Prohibition Against Advertising	A-7
A-25. Landmark Law	A-7
A-26. Continuing Maintenance Program	A-7
A-27. Risk of Loss	A-7
A-28. Lot Line Windows	A-8
A-29. Three Months to Send Notice of Claim or Construction Defect	A-8
A-30. Building Conditions	A-8
A-31. Remedies for Construction Defects	A-10
SECTION B. INTRODUCTION	B-1
B-1. Purpose of Plan	B-1
B-2. New York Condominium Act	B-1
B-3. Sponsor	B-1
B-4. The Units	B-1
B-5 Basic Aspects of Condominium Ownership	B-2
B-6. Equipment and Fixtures Included in Sale	B-9
B-7. Prices Set By Sponsor Without Governmental Approval	B-10
B-8. All Material Terms Disclosed	B-10
B-9. Who May Purchase	B-10
B-10. Caveat	B-10
B-11. Glossary.	B-10
SECTION C. DESCRIPTION OF THE PROPERTY AND IMPROVEMENTS	C-1
C-1. The Property, Services and Amenities	C-1
C-2. Applicable Laws	C-5

Table of Contents
(continued)

Caption	Page
C-3. Construction Schedule	C-5
SECTION D. LOCATION AND AREA INFORMATION	D-1
D-1. Property Location and Surrounding Areas	D-1
D-2. Zoning	D-2
SECTION E. OFFERING PRICES AND RELATED INFORMATION (SCHEDULE A)	E-1
SECTION F. BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION (SCHEDULE B)	F-1
F-1. Projected First Year	F-1
F-2. Revised Budget; Rescission	F-1
F-3. Allocation and Apportionment of Expenses	F-1
F-4. Budget Procedure	F-3
F-5. Budget Certification	F-3
F-6. Schedule B	F-4
F-7. Schedule B-1 : Unit Utility Projections	F-21
SECTION G. OPINION ON COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)	G-1
SECTION H. COMMERCIAL UNITS	H-1
H-1. Uses and Shared Expenses	H-1
H-2. Common Charges	H-1
H-3. Changes in Use	H-1
H-4. Subdivision and Other Unit Changes	H-1
H-5. Common Charges	H-1
H-6. Declaration and By-Laws	H-1
H-7. Rights and Obligations	H-2
SECTION I. CHANGES IN PRICES AND UNITS	I-1
I-1. Changes in Offering Prices	I-1
I-2. Offering Prices and Price-Related Terms are Negotiable	I-1
I-3. Impact of Changes on Other Purchasers	I-1
I-4. Changes in Units	I-1
I-5. Compliance with Part 20	I-2
I-6. Terms of Unit Changes	I-2
I-7. Rights of Owners of Unsold Units and Commercial Units	I-4
SECTION J. INTERIM LEASES	J-1
J-1. Sponsor's Exclusive Option to Rent to Purchaser	J-1
J-2. No Rent Laws Applicable to Interim Lease	J-1
J-3. Cross-Default Provision	J-1
J-4. 30 Days to Vacate	J-1
SECTION K. PROCEDURE TO PURCHASE	K-1
K-1. Procedure to Purchase	K-1
K-2. Statutory Requirement	K-2
K-3. Escrow; Trust Fund	K-2
K-4. Lien Law Section 71-a(3)	K-6
K-5. Special Risks	K-6
K-6. Time is of the Essence Provisions	K-6
K-7. Closing Date	K-7
K-8. Projected Date of First Closing	K-7
K-9. Purchaser's 30 Day Grace Period	K-7
K-10. Unit Owner's Power of Attorney	K-7

Table of Contents
(continued)

Caption	Page
K-11. Period to Review Plan and Amendments	K-7
K-12. Risk of Loss	K-8
K-13. Purchase and Sale Agreement	K-8
K-14. No Mortgage Financing Contingency	K-8
K-15. Plan Governs	K-8
K-16. Sponsor's Period to Accept or Reject Purchase and Sale Agreement	K-8
K-17. No Waiver or Abrogation of Article 23-A of GBL	K-8
K-18. Restriction Against Assignment	K-8
K-19. Events of Default	K-9
K-20. Sponsor's Remedies on Purchaser's Default	K-9
K-21. Purchaser's Remedies on Sponsor's Default or Inability to Perform	K-10
K-22. Release of Claim	K-10
K-23. Purchaser's Closing Costs and Apportionments	K-10
K-24. Closing Payments and Documents	K-10
K-25. Possession	K-11
K-26. State of Title	K-11
K-27. Personal Property Included in Sale	K-11
K-28. Pre-Closing Inspection of the Unit By Purchaser	K-12
K-29. Prices and Price-Related Terms are Negotiable	K-13
K-30. Broker	K-13
K-31. Abandonment of Plan	K-13
K-32. Purchaser's Representations	K-13
K-33. Lawsuits	K-13
K-34. Purchase and Sale Agreement Is Not a Lien	K-13
K-35. Prohibition Against Advertising	K-13
K-36. Lead-Based Paint	K-13
SECTION L. EFFECTIVE DATE	L-1
L-1. Requirement of Effectiveness	L-1
L-2. Procedure to Declare Plan Effective	L-1
L-3. Minimum Percentage of Sales	L-1
L-4. Purchase and Sale Agreements Excluded from Effectiveness	L-1
L-5. Effective When 80% Sold	L-1
L-6. Abandonment Prior to Effectiveness	L-2
L-7. Abandonment After Effectiveness	L-2
SECTION M. TERMS OF SALE	M-1
M-1. Deed	M-1
M-2. Risk of Loss	M-1
M-3. Certificate of Occupancy	M-1
M-4. Title Exceptions	M-1
M-5. Personal Property	M-5
M-6. Condominium Documents	M-5
M-7. Existing Mortgages	M-5
SECTION N. UNIT CLOSING COSTS AND APPORTIONMENTS	N-1
N-1. Closing Costs and Apportionments	N-1
N-2. Mortgage Tax Credit	N-5
N-3. Fees of Sponsor's Attorney and Lender's Attorney	N-5
N-4. Real Estate Taxes	N-5
SECTION O. RIGHTS AND OBLIGATIONS OF SPONSOR	O-1
O-1. Rights of Sponsor	O-1
O-2. Obligations of Sponsor	O-8

Table of Contents
(continued)

Caption	Page
SECTION P. CONTROL BY THE SPONSOR	P-1
P-1. Sponsor's Voting Control.	P-1
P-2. Sponsor Veto Control	P-2
SECTION Q. BOARD OF MANAGERS	Q-1
Q-1. Condominium Board; Elections; Term; Unit Owner's Meetings	Q-1
Q-2. Initial Board Member and Officers	Q-3
Q-3. Indemnification and Personal Liability	Q-3
Q-4. Compensation	Q-4
Q-5. Election and Removal of Officers; Removal of Board Members	Q-4
Q-6. Computation of Votes	Q-6
Q-7. Amendments to Declaration or By-Laws	Q-6
Q-8. Board Meetings	Q-8
Q-9. Quorum	Q-9
Q-10. Requirements for Board Decisions	Q-9
Q-11. Requirements for Unit Owners' Decisions	Q-9
SECTION R. RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE BOARD OF MANAGERS	R-1
R-1. Sale or Lease of Units by Unit Owners	R-1
R-2. Mortgaging of Units by Unit Owners	R-4
R-3. Common Charges and Special Assessments	R-5
R-4. Repairs	R-8
R-5. Additions, Alterations and Improvements	R-10
R-6. Insurance	R-13
R-7. Restrictions on Occupancy and Use	R-15
R-8. Remedies	R-17
R-9. Arbitration	R-17
R-10. Rules and Regulations	R-18
R-11. Successors and Assigns	R-18
R-12. Termination of Condominium	R-18
R-13. Incurring Debt	R-19
R-14. Real Property Law Section 339-kk	R-19
R-15. Continuing Maintenance Program	R-20
SECTION S. REAL ESTATE TAXES	S-1
S-1. Separate Assessment of Units	S-1
S-2. Present and Projected Real Estate Taxes	S-2
S-3. Projected Assessed Valuation After Completion of Construction	S-3
S-4. Changes in Assessed Valuation	S-3
S-5. Tax Certiorari Proceedings	S-3
S-6. By-Law Provision on Review of Assessment	S-4
S-7. Real Estate Tax Benefits.	S-4
S-8. Lippman Krasnow Kelton LLP Opinion	S-6
SECTION T. OPINIONS OF COUNSEL	T-1
T-1. Opinion on Tax Deductions to Unit Owners	T-1
T-2. Tax Status of Condominium	T-1
T-3. Caveat	T-1
T-4. Disclaimer	T-1
T-5. RPL Section 339-i Opinion	T-2
T-6. Opinion on Income Tax Deductions to Residential Unit Owners and Tax Status of the Condominium	T-3
T-7. Opinion Regarding Compliance with Real Property Law Section 339-i	T-10

Table of Contents
(continued)

Caption	Page
SECTION U. RESERVE FUND	U-1
U-1. No Reserve Fund	U-1
U-2. Budget Reserves for Contingencies and Capital Items	U-1
U-3. Sources to Finance Capital Items	U-1
SECTION V. WORKING CAPITAL FUND	V-1
V-1. Amount of Working Capital Fund	V-1
V-2. Funding of Total Amount of Working Capital Fund	V-1
V-3. Use of Working Capital Fund	V-1
V-4. Sources to Finance Capital Items	V-2
V-5. Adequacy of Working Capital Fund	V-2
SECTION W. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES	W-1
W-1. Management Agreement	W-1
W-2. Other Contracts and Leases	W-4
W-3. Sponsor's Limited Right to Bind Condominium Board	W-5
SECTION X. IDENTITY OF PARTIES	X-1
X-1. Sponsor	X-1
X-2. Other Cooperative and Condominium Offerings	X-1
X-3. Sponsor's Attorneys	X-1
X-4. Managing Agent	X-1
X-5. Selling Agent	X-1
X-6. Architect and Other Construction Professionals	X-2
X-7. Relationship to Sponsor or Sponsor's Principal	X-2
SECTION Y. REPORTS TO UNIT OWNERS	Y-1
Y-1. Annual Financial Statements, Meetings and Budgets	Y-1
SECTION Z. DOCUMENTS ON FILE	Z-1
Z-1. Plan, Amendments and Condominium Documents	Z-1
SECTION AA. GENERAL	AA-1
AA-1. Litigation	AA-1
AA-2. No Prior Cooperative or Condominium Offering of Property	AA-1
AA-3. Compliance with Civil Rights Laws	AA-1
AA-4. Amendments	AA-1
AA-5. Use or Enjoyment of Property	AA-1
AA-6. Contents of Plan	AA-1
SECTION BB. SPONSOR'S STATEMENT OF BUILDING CONDITION	BB-1
BB-1. Report On Description of Property and Building Condition	BB-1
BB-2. Rehabilitation	BB-1
BB-3. Certificate of Occupancy	BB-1
BB-4. Official Inspection Reports	BB-2
BB-5. Lead-Based Paint	BB-2

Table of Contents
(continued)

PART II

Document		Page
1.	PURCHASE AND SALE AGREEMENT	DOC 1-1
1A.	PURCHASE APPLICATION	DOC 1A-1
1B.	FORM W-9 REQUEST FOR TAXPAYER IDENTIFICATION NUMBER	DOC 1B-1
1C.	FORM W-8 CERTIFICATE OF FOREIGN STATUS	DOC 1C-1
1D.	ESCROW AGREEMENT	DOC 1 D-1
1E.	DISPUTE RESOLUTION APPLICATION	DOC 1E-1
1F.	10 DAY LEAD-BASED PAINT NOTICE	DOC 1F-1
1G.	PRE-CONTRACT INSPECTION AGREEMENT	DOC 1G-1
1H.	EPA PAMPHLET ON LEAD-BASED PAINT	DOC 1H-1
2.	UNIT OWNER'S POWER OF ATTORNEY	DOC 2-1
3.	FORM OF UNIT DEED	DOC 3-1
4.	DESCRIPTION OF PROPERTY AND SPECIFICATIONS OR BUILDING CONDITION	DOC 4-1
4A.	ASBESTOS REPORT	DOC 4A-1
5.	FLOOR PLANS	DOC 5-1
6.	DECLARATION OF CONDOMINIUM	DOC 6-1
7.	CONDOMINIUM BY-LAWS	DOC 7-1
8.	CERTIFICATIONS:	
	A. SPONSOR AND SPONSOR'S PRINCIPAL	DOC 8A-1
	B. SPONSOR'S ARCHITECT	DOC 8B-1
	C. SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET	DOC 8C-1
	D. SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS	DOC 8D-1
9.	OPINION ON MARKET RATE MANAGEMENT FEE	DOC 9-1

SECTION A. SPECIAL RISKS

The special risks summarized below are explained more fully in other sections of this Offering Plan ("**Plan**"). The entire Plan must be read to completely understand these and other material aspects of this offering. See Section B, subsection "B-11 Glossary" for the frequently used words not expressly defined in this or other Sections of this Plan (whether uppercase or lowercase), as well as for the full meanings of the words defined in this and other sections of this Plan.

A-1. Changes in Use of Commercial Units. The Commercial Units consist of two (2) retail Units at ground level (each with space below on the cellar level) and two (2) commercial storage Units on the sub-cellar level. At the date of this Plan, the retail Units are used as a retail jewelry store and a retail fur coat store, and the storage Units are vacant or used for storage of commercial tenant files. The Commercial Units are not restricted to their current uses and may be changed from time to time, Freely and Without Consent, Payment or Restriction, by Sponsor to be used for any lawful purpose, other than the following uses (collectively, "**Prohibited Uses**"): (a) any use that impairs or threatens the structural integrity of the Building or the life, health or safety of Owners, tenants or occupants of Units; (b) any use that is an unreasonable nuisance to other Unit Owners or an unreasonable interference with the peaceful possession or proper use of other Units or the Common Elements for their intended or permitted purposes as stated in this Plan and the Condominium Documents; (c) any use that violates applicable Laws; or (d) any use that results in the cancellation or a notice of cancellation of insurance maintained by the Condominium Board. The Commercial Units may be used as one (1) or more restaurants, food stores, clothing stores, banks and other retail establishments, whether or not similar to the foregoing. The permitted uses of the Commercial Units may be noisy, emit odors, involve heavy traffic and cause other effects that need not necessarily be compatible with the primary use of the Building for dwelling purposes. See Section H, subsections H-1 and H-3 for discussion.

A-2. Subdivision of Commercial Units. Each Commercial Unit Owner will have the right, Freely and Without Consent, Payment or Restriction, to subdivide its Commercial Unit into two or more Commercial Units. See Section H, subsection H-4 for discussion.

A-3. Federal Bank Deposit Insurance. Deposits of Purchasers will be kept in a segregated attorneys special escrow account at The Citibank Private Bank ("**Depository**"), which is covered by federal bank deposit insurance in the maximum amount of $100,000. To the extent a Purchaser's Deposit exceeds $100,000, the excess will not be federally insured and Purchaser will bear the sole risk of any loss resulting from the failure of the Depository. See Section K, subsection K-3.1 for discussion.

A-4. Liquidated Damages. If a Purchase and Sale Agreement is cancelled based on a default by Purchaser that is not cured within 30 days after written notice of the default is given to Purchaser and the Plan is consummated with the First Closing of a Residential Unit to a bona fide Purchaser, Sponsor's sole remedy shall be: (a) to retain as "liquidated" (i.e., agreed upon) damages, Purchaser's Deposit (but not to exceed 10% of the Purchase Price) together with the interest earned thereon, plus any payment given for alterations, upgraded appliances, equipment or cabinets, or other work (collectively "**special work**") ordered by Purchaser (but not to exceed the actual costs thereof); and (b) to recover the actual Costs and Expenses incurred by Sponsor: (b-1) for such special work (to the extent the payment given therefor, if any, is insufficient), (b-2) to restore the Unit to the condition existing prior to undertaking the special work, and (b-3) to enforce this provision and collect such amounts. Sponsor, however, may not seek specific performance of the Purchase and Sale Agreement. See Section K, subsections K-5(a) and K-20 for discussion.

A-5. Special Work Payment. If the Purchase and Sale Agreement is cancelled following Purchaser's exercise of a right to rescind or to cancel and the Deposit is returned to Purchaser, any payment given by Purchaser for special work will be refunded to Purchaser if, and only to the extent, such payment exceeds the actual Costs and Expenses paid or incurred to perform said special work and to restore the Unit to its condition existing before undertaking the special work ("**Net Refundable Special Work Payment**"). See subsections C-1.3, F-2, K-1.6, K-8, K-21, K-31 and M-2 for discussion.

A-6. "Time of the Essence" Provisions under Purchase and Sale Agreement and Plan. All time periods in the Purchase and Sale Agreement or this Plan expressly stated to be a "TIME OF THE ESSENCE" period or similar words mean that the specified period in which Purchaser must pay or perform an obligation or act or give a notice is an absolute deadline and cannot be extended by Purchaser, regardless of any inability or other excuse for the delay. For example, under the Purchase and Sale Agreement, if Purchaser defaults, Purchaser will be afforded a grace period of 30 calendar days from giving Purchaser notice of the default within which Purchaser must cure the default. The 30 day grace period is an absolute deadline or "TIME OF THE ESSENCE" period. This means that if the default is not timely cured by Purchaser within the 30 calendar day period (regardless of inability or other excuse for not timely curing the default), the Purchase and Sale Agreement will be cancelled and Purchaser will lose Purchaser's Deposit. See Section K, subsection K-5 for discussion.

A-7. Sponsor Voting Control of Condominium Board. Sponsor will have the exclusive right to designate and appoint a majority of the Condominium Board (including a majority of the Residential Board Members) and thereby have "voting control" of the Condominium Board for five(5) years from the First Closing of a Residential Unit or whenever the Unsold Residential and Storage Units constitute less than fifty percent (50%) in number and Common Interest of all Residential and Storage Units, whichever is sooner ("**Sponsor Board Control Period**"). After the end of the Sponsor Board Period, Sponsor will no longer have the right to nominate candidates to serve as the Independent Board Members (who will then constitute a majority of the Board Members) and thus Sponsor shall not thereafter exercise voting control of the Board. Sponsor, however, will continue to have the right, for as long as Sponsor owns at least one (1) Unsold Residential Unit, to vote for the Independent Board Members and to exclusively designate and appoint a specified number of Sponsor Board Members, who will be a minority of the Residential Board Members (see Section P, subsection P-1 below).

A-8. No Mortgage Financing Contingency. There is no restriction under this Plan on a Purchaser's right to finance the purchase of a Unit in any amount and with any lender of Purchaser's choice. However, the Purchase and Sale Agreement shall not be contingent on Purchaser's ability to obtain a loan. As a result, Purchaser will not be excused from his or her obligation to pay the full Purchase Price of the Unit on the date scheduled by Sponsor for Closing Title, regardless of Purchaser's ability to obtain mortgage financing and notwithstanding that any loan commitment Purchaser may have obtained expires prior to Closing of Title.

A-9. Financing Risks. If a Purchaser is relying upon financing from an Institutional Lender or other source, Purchaser assumes the risks of meeting all conditions and requirements of the lender to obtain and fund the loan on the date set by Sponsor for Closing of Title under the Purchase and Sale Agreement, including conditions and requirements that may be beyond Purchaser's control. These risks include the following: (a) meeting all requirements concerning Purchaser (for example, Purchaser's income, financial condition, employment status, sale of an existing residence, etc.) and any adverse changes in meeting these requirements that may occur between the issuance and funding of the loan commitment; (b) meeting a requirement for a certain

percentage of Residential Units to be "owner-occupied" (Institutional Lenders often require up to 50% of the Units to be "owner-occupied"); and (c) losing a "lock-in" interest rate because the Closing of Title under Purchaser's Purchase and Sale Agreement fails to occur before the expiration of the period within which the loan must close to obtain the locked-in rate. Purchaser also assumes the risk of adverse changes in the terms of the loan that may occur before the closing of the loan and paying additional amounts to extend the loan commitment period. By assuming these risks, Purchaser will not be excused from the obligation to purchase without abatement in the Purchase Price and without recourse against Sponsor or the Selling Agent. Sponsor and Selling Agent do not represent, assure or guarantee that a Purchaser will succeed in obtaining mortgage financing from an Institutional Lender or other independent sources, or (if Purchaser succeeds) the terms or costs of such financing, or whether the Closing of Title will occur before the loan commitment or any lock-in rate expires, or (if it expires) whether the commitment will be extended or the costs to obtain an extension and terms and conditions thereof, which may be less favorable than the original commitment. See subsection A-10 and Section K, subsection K-14 for further discussion.

A-10. Resale Risk. A Purchaser may have difficulty in reselling his or her Unit if the prospective buyer is relying upon financing and is unable to obtain or close a loan because the Building does not then meet the lender's requirement for "owner-occupied" Units. See subsection A-11 for discussion.

A-11. Occupancy of Residential Units By Renters. Sponsor will endeavor in good faith to sell, in a reasonably timely manner, all Residential Units to Purchasers for personal occupancy by themselves or their families. Until at least 50% of the Residential Units are so sold and conveyed to Purchasers for personal occupancy, Sponsor will not rent Unsold Residential Units to other than the Purchasers of such Units, nor enter into Purchase and Sale Agreements with Purchasers for investment or resale. After such 50% threshold is achieved, Sponsor will continue to endeavor in good faith to so sell Residential Units to Purchasers for personal occupancy, but reserves the right, if market conditions become unfavorable after the filing of this Plan, to rent Unsold Residential Units until they may be sold at prices determined in good faith to be satisfactory to Sponsor or to sell Unsold Residential Units to unrelated Purchasers for rental operation and not personal occupancy. Sponsor's good faith efforts to sell to Purchasers for personal occupancy include multi-listing Unsold Residential Units with brokers, showing Unsold Residential Units to brokers and prospective Purchasers or their representatives, filing updating Amendments to the Plan and otherwise engaging in customary sales activities. Prospective Purchasers should nevertheless be aware that they potentially may be living with transient tenants in up to 50% of the Residential Units for an indefinite period, depending upon market conditions, while Sponsor continues to endeavor in good faith to sell Residential Units to Purchasers for personal occupancy at prices determined in good faith to be satisfactory to Sponsor. Transient tenants will receive the same Building services and use the Building's amenities (e.g., the lobby) as Owner-occupants. However, they have no investment in their Units and, therefore, do not share the same economic interests as Owner-occupants in the maintenance and care of the Building's facilities and amenities. Prospective Purchasers should also be aware that Sponsor and any other non-resident Owners may be at odds with Owner-occupants on expenditures for items like lobby and hallway decorations and capital improvements. In addition, Sponsor will have a significant role in the governance of the Condominium by reason of its voting control of the Condominium Board during the Sponsor Board Control Period. Even thereafter, Sponsor will continue to have a voice in governance due to its right to designate a specified minority of the Residential Board Members for so long as Sponsor owns one or more Unsold Residential Units. Moreover, Sponsor and any other non-resident Owners will at all times have the same right as Owner-occupants to vote on issues that require the approval or consent of Unit Owners (such as the exercise of the Board's Right of

First Refusal to purchase or lease a Sold Unit). To further assure that this Plan will create a fully viable condominium, the By-Laws contain a residency requirement pursuant to which a majority of the Condominium Board must be Owner-occupants or "Owner-related occupants" (defined below) of the Building who are unrelated to Sponsor or its principal at all elections held after the end of the Sponsor Board Control Period. "**Owner-related occupants**" are the occupants of a Residential Unit who are a member of the Owner's family or an officer, director, shareholder, member, partner, trustee, executor, administrator, guardian, legal representative, beneficiary, government official or employee of a corporation, limited liability company, partnership, trust, sovereign government, consulate or other Entity which owns the Unit, or a member of the family of any of the foregoing.

It is noted that if a Purchaser intends to obtain mortgage financing, the lender may condition the loan commitment or its interest rate, or both, on the number of Residential Units contracted for sale and/or the number of "Owner-occupied" Residential Units, which may be adversely affected by Residential Units so sold or held for rental. Potential Purchasers should inquire with the prospective lender as to these matters before entering into the Purchase and Sale Agreement. (See subsection A-9 above for further discussion.)

A-12. Office Tenants. The Building is in the course of being rehabilitated from an office building to primarily residential use. Currently, floors 2, 3, 4, 8, 10, 11, 14 and 19 have been vacated and are to be rehabilitated and outfitted as Residential Units in accordance with this Plan. The other floors are occupied by office tenants having leases expiring over a period extending to July 2005, except floor 20, which currently houses mechanical equipment. As these floors become vacant following the expiration or sooner termination of said leases, they too will be rehabilitated and outfitted as Residential Units pursuant to this Plan. The occupancy of these floors as offices will not prevent the issuance of a temporary Certificate of Occupancy for the other floors undergoing residential conversion nor otherwise delay the projected date of First Closing of a Residential Unit under this Plan. Prospective Purchasers should be aware that these floors will continue to be used and occupied as offices until they are vacated. See following subsection A-13.

A-13. Two Year Period to Obtain Permanent Certificate of Occupancy. A temporary Certificate of Occupancy may only be renewed or extended for a period of two (2) years from the date of its original issuance. If a temporary Certificate of Occupancy expires before obtaining a permanent Certificate of Occupancy, residential occupancy of the Residential Units will be a violation of the Multiple Dwelling Law ("**MDL**"), subjecting the occupants and Owners of Residential Units and the Condominium Board to potential penalties under the MDL, including possible eviction of the occupants of the Residential Units. No permanent Certificate of Occupancy will be issued until all Residential Units are completed or substantially completed. The expiration dates of certain commercial leases will delay the completion of some Residential Units until after such two (2) year period. Nevertheless, in practice, the Department of Buildings of The City of New York has often renewed or extended a temporary Certificate of Occupancy beyond the two (2) year limitation contained in the MDL, provided the customary requirements for granting a renewal or extension are met. Sponsor will endeavor in good faith to comply with said requirements in order to continuously renew or extend the temporary Certificate of Occupancy until issuance of the permanent Certificate of Occupancy. Sponsor and Selling Agent do not assure, represent or guarantee that the temporary Certificate of Occupancy will be extended beyond said two (2) year limit or until a permanent Certificate of Occupancy is issued. (See Section O, subsection O-2.9).

A-14. Projected Real Estate Taxes. On July 1, 2003, the projected commencement date of Condominium Operation, only a pre-completion assessment of the Units will be applicable. The Residential and Storage Units are not expected to have been sufficiently completed to reflect

their full post-completion assessment until the July 1, 2004 to June 30, 2005 tax year, at the earliest. For purposes only of presentation, the projected real estate taxes in SCHEDULE A (see Section E) are based on the *higher* projected post-completion assessment. In addition, the projected real estate taxes in SCHEDULE A assumes that the portion of the Property's assessed valuation projected by Lippman Krasnow & Kelton LLP (**"LK&K"**) to be allocated to the Residential and Storage Units will be apportioned among them Pro Rata to their respective initial offering prices in SCHEDULE A. Actual Purchase Prices of Units will likely vary from their initial offering prices and are a truer indicator of value that may be used by the taxing authority in determining each Unit's assessed valuation. Accordingly, the actual apportionment of assessed valuation of the entire Property to each Unit will likely vary, perhaps substantially, from the projections used in estimating the real estate taxes of Units in SCHEDULE A. Prospective Purchasers also should be aware that improvements a Purchaser makes to his or her Unit may increase its assessed valuation, resulting in higher real estate taxes. While LK&K has had considerable experience in real estate tax assessments, Sponsor, Selling Agent and LK&K do not represent, assure or guarantee: (a) the accuracy of the real estate tax projections, or (b) the actual assessed valuation of the Property upon completion of rehabilitation and renovation of the Building, or (c) the actual allocation of the Property's assessed valuation to each category of Units or to each Unit. See footnote (6) to said SCHEDULE A for details of LK&K's projections and "Section S. Real Estate Taxes" for the full text of LK&K's opinion and the assumptions and estimates upon which it is predicated.

A-15. Delinquency Closing Costs. If a Purchaser fails to Close Title on the date set by Sponsor in accordance with this Plan and the Purchase and Sale Agreement, or Purchaser is at fault for causing Sponsor to postpone the date scheduled by Sponsor for Closing (e.g., Sponsor postpones the Closing to remove a title condition because Purchaser fails to timely send Sponsor's attorney written notice of an objection to title at least 10 days prior to the date set by Sponsor for Closing, see Section K, subsection K-26), Purchaser will reimburse Sponsor at Closing for the Unit's Common Charges and real estate taxes (less any rent collected by Sponsor) for the period the Closing is delayed, plus per diem interest on the Purchase Price at the rate of 10% per annum, prorated for each day during such period of delay, to compensate Sponsor for loss of potential earnings on the Purchase Price (see Section N, subsection N-1.1 for discussion).

A-16. Suspension of Voting Rights. Under the By-Laws, if the Condominium Board perfects its lien against a Unit for unpaid Common Charges, then until the lien is paid or discharged by bonding or otherwise, the Owner of such Unit will not have the right to nominate candidates to serve on the Condominium Board or vote for election of the Condominium Board. See Section Q, subsection Q-6 for full discussion.

A-17. Restriction on Ownership of Storage Units. Ownership of a Storage Unit is restricted to Sponsor or an Owner of a Residential Unit. As a result, a Purchaser of a Residential Unit and a Storage Unit may only sell or transfer the Storage Unit to another Residential Unit Owner or, upon the resale or transfer of the Owner's Residential Unit, to the purchaser on such resale or the succeeding Owner on a transfer. See Section B, subsection B-5.5.2 for discussion.

A-18. Cancellation of Interim Lease. If an "Interim Lease" is entered into with a Purchaser for a Residential Unit and the "Interim Lease" is cancelled because of an uncured default or the election by the "Interim Tenant-Purchaser" to rescind pursuant to the terms of the Purchase and Sale Agreement or an offer to rescind in a Plan Amendment, such "Interim Tenant-Purchaser" will have only 30 calendar days thereafter to surrender vacant possession of the Unit. The 30 calendar days is a "TIME OF THE ESSENCE", or deadline, period. If the "Interim Tenant-Purchaser" fails to timely surrender vacant possession of the Unit within such 30 day period (regardless of inability or

other excuse for not timely doing so), he or she will be liable to Sponsor for all Costs and Expenses incurred by Sponsor for the delay and to recover vacant possession of the Unit. See Section J, subsections J-3 and J-4 for discussion and definitions of the quoted terms.

A-19. Board Consent Required for Lease Term of Less Than One (1) Year. A Sold Residential Unit Owner may not lease his or her Unit for less than one (1) year to other than a member of the Owners' immediate family, without obtaining the prior written approval or consent of the Condominium Board, whose approval or consent is discretionary and may be conditioned, denied or withheld by the Board without cause or explanation and without recourse of any kind against the Board by reason thereof (herein called "**Discretionary Approval or Consent**"). This restriction does not apply to Unsold Residential Units, Storage Units or the Commercial Units. See Section R, subsection R-1.1.

A-20. Alterations and Decorations of Terraces and Windows. In order to protect the structural integrity and weather tightness of the Building and the safety of lower floors as well as the sidewalks adjacent to the Building, and to preserve the architectural and aesthetic harmony of the Building's façade and minimize possible unsightliness, the Terrace or Planting Terrace appurtenant to a Sold Residential Unit, the parapets, copings, railings and all other Roof Structures in, under and enclosing such Terrace or Planting Terrace, and the windows of a Sold Residential Unit may not be Altered, replaced, enclosed, partitioned, painted, landscaped, furnished or otherwise Decorated without obtaining the prior written Discretionary Approvals or Consents of both Sponsor (during only the Sponsor Veto Control Period) and the Condominium Board. For similar aesthetic purposes, the glass surfaces of windows of Sold Residential Units may not be colored, painted or covered, except window shades, blinds, curtains and other treatments which are light colored or have light colored backings facing the outdoors in conformity with the rules established from time to time by Sponsor (during only the Sponsor Veto Control Period) and the Condominium Board will be permitted. The foregoing restrictions do not apply to Unsold Residential Units or the Commercial Units, which may be Altered and Decorated Freely and Without Consent, Payment or Restriction, other than the requirement to comply with the applicable Work Requirements contained in Article 15 of the Declaration. See Section R, subsection R-7.2.

A-21. Status of Amenities and Services at First Closing. The First Closing will likely be held when a temporary Certificate of Occupancy is issued and before all Work is completed in order to obtain the permanent Certificate of Occupancy, as well as before completion of the furnishing, landscaping, outfitting and other Decorations of the 130 West 30th Street Building entrance, vestibule and lobby, the elevator lobbies and public corridors on residential floors, and other amenities. An elevator lobby and public corridor on a residential floor may not be fully Decorated until after occupancy of all Residential Units on such floor. See Section C, subsection C-3.

It is also noted that from and after the First Closing, all Building services set forth subsection C-1.6 below will be provided, but the cleaning services may be provided by only one (1) staff member until occupancy of the Units is sufficient to require two (2) cleaning personnel or whenever at least fifty percent (50%) of the Residential Units are occupied, whichever occurs first (see subsection C-1.8 below).

A-22. Construction Easements and Hours. In order to permit Sponsor to complete construction necessary for the issuance of a permanent Certificate of Occupancy and to perform other construction obligations under the Plan or a Purchase and Sale Agreement, Sponsor and Sponsor's contractors, subcontractors, construction workers and representatives shall have the following rights and easements with respect to the Common Elements after the First Closing of a Residential Unit, among others: (a) a right and easement of access to, and use of, the Common Elements (including preferential and priority use of the elevators); (b) a right and easement to transport on, across and through the Common Elements, and to temporarily store construction

equipment, materials, supplies and debris on portions of the Common Elements considered appropriate by Sponsor or Sponsor's contractors; and (c) the right to temporarily interrupt Building services (including water, heating, cooling, electric, gas, ventilation, plumbing and other Building Systems). Sponsor will endeavor to minimize inconveniencing residents of the Building. Sponsor's contractors, subcontractors and construction workers shall have the right to perform Work on weekdays (Monday to Friday) from 7:00 a.m. to 5:00 p.m. and on Saturdays from 8:00 a.m. to 5:00 p.m., except that especially noisy Work on weekdays will not begin before 8:00 a.m., and except further that Work may be performed at any time and on any day in the case of an emergency or to correct a condition that threatens the life, health or safety of Building occupants or to protect property or to provide a required Building service.

A-23. Sponsor's Financial Resources for Construction and Carrying Costs of Unsold Units. Sponsor represents that it has the financial resources: (a) to complete all planned construction of the Units and Common Elements in order to obtain a permanent Certificate of Occupancy for the Building; and (b) to pay for all "carrying costs" (namely, Common Charges, Special Assessments (if any) of the Condominium Board and real estate taxes) of Unsold Units. No bond or security is being provided to secure Sponsor's obligations for said construction or carrying costs. Accordingly, Sponsor's ability to meet these obligations will depend on Sponsor's financial resources if and when called upon to perform. See Section O, subsection O-2.3 for further discussion.

A-24. Prohibition Against Advertising. Purchaser is prohibited from advertising or publicizing the availability of Purchaser's Unit(s) for sale or lease prior to Closing of Title. See Section K, subsection K-35 for further discussion.

A-25. Landmark Law. The Building has been designated as an individual "landmark" under the Landmark Preservation Law (hereafter, "**Landmark Law**"). Pursuant to the Landmark Law, if the Board or any Unit Owner desires to make any alteration, addition, improvement or repair in or to the Building or a Unit (other than certain ordinary repairs and maintenance as defined in Section 302 of the Landmark Law) that affects any exterior architectural feature of the Building, then, in addition to obtaining any necessary approval or consent under the Condominium Documents, such party must first obtain the approval and a Certificate of Appropriateness or a Certificate of No Effect (as applicable) from the Landmarks Preservation Commission of the City of New York (hereafter, "**Commission**" or "**Landmarks Commission**"). If the proposed alteration, addition, improvement or repair is interior, is of sufficient scope to require a building or work permit, and will not affect any exterior architectural feature of the Building, a submission to that effect to the Commission will be necessary, and the Commission will issue a "Certificate of No Effect." The issuance of such certificate is a common occurrence and is issued on a ministerial basis. (See Section R, subsection R-5.2.3 below for further discussion).

A-26. Continuing Maintenance Program. In order to obtain a special permit to allow the Building to be renovated with the Residential Units, the Property will be subject to a certain restrictive declaration requiring the Board to comply with a so-called continuing maintenance program for certain exterior and interior portions of the Building, which is to be monitored by the Landmarks Commission (see Section R, subsection R-15 below).

A-27. Risk of Loss. If Purchaser is given possession a Unit prior to Closing of Title pursuant to an Interim Lease, Purchaser shall assume the risk of loss to the Unit, its contents and Purchaser's personal property from fire or other casualty from and after commencement of the term of the Interim Lease. Such Purchaser should consider obtaining, at Purchaser's expense, insurance to insure Purchaser against such loss. See Section K, subsection K-12 below.

A-28. Lot Line Windows. All windows facing east or west are lot line windows under the Zoning Laws (see Unit floor plans in DOCUMENT 5 of Part II for affected Units and rooms). Lot line windows must be walled-up or reduced in size, as applicable, when a building on another parcel is constructed or altered to be within a certain distance from them. The closure or reduction of lot line windows in a bedroom would not affect the continued use of such room as a bedroom, which has other windows that meet the legal requirement for such use. The closing or reduction in size (as applicable) of the affected lot line windows would be performed by the Condominium Board as part of the Residential Common Expenses. Sponsor is not aware of any planned building construction or alteration that would affect the lot line windows, but cannot, and does not, represent, assure or guarantee the continued existence of any lot line windows.

A-29. Three Months to Send Notice of Claim or Construction Defect. Sponsor's Obligation to indemnify the Condominium Board and Unit Owners based on Sponsor's negligent or improper acts or omissions is conditional upon written notice of a claim under the indemnity being sent by any Independent Board Member within a deadline of three (3) months after the election of the first Independent Residential Board Member under the Plan. See Section O, subsection O-2.1 for full discussion. Sponsor's Obligation to correct Latent Construction Defects in a Sold Residential or Storage Unit is conditional upon the Purchaser of such Unit sending Sponsor a Defect Notice thereof within a deadline of three (3) months after the Closing of Title to the Unit. (Sponsor's Obligation to correct Patent or Latent Construction Defects in the Common Elements is conditional upon any Independent Board Member sending Sponsor a Defect Notice thereof within a deadline of three (3) months after the first election of the Independent Board Members or completion of the affected portion of the Common Elements or the occupancy or Title Closing of a Unit in which such affected portion of the Common Elements is located, whichever is later. TIME IS OF THE ESSENCE to send the Defect Notice with the applicable three (3) month deadline period. See Section O, subsection O-2.11 for discussion.

A-30. Building Conditions. The Description of Property and Specifications or Building Condition prepared by Marc Kemeny, R.A. ("**Architect**") attached as Document 4 in Part II of this Plan discloses the conditions and estimated costs set forth below, which will not be repaired or corrected by Sponsor. Cost estimates are approximate and good faith estimates of the Architect. They are not based on any specifications or documentation of the work and are not derived from bids by contractors or vendors. Actual costs may vary substantially from the estimated costs set forth below.

No reserve fund is being provided under this Plan nor is any reserve for capital Repairs or other expenditures included in the First Year's Budget (SCHEDULE B in Section F). The only sources available to the Condominium Board to finance the correction of the conditions set forth below or any other needed or desired capital expenditures will be a loan from a bank or other lender (subject to obtaining Sponsor's prior written Discretionary Approval or Consent during only the Sponsor Veto Control Period) or levying a Special Assessment on all applicable Unit Owners (see "Section U. Reserve Fund" for full discussion).

(a) Underground oil storage tank: Oil is stored in a 5,000 gallon underground storage tank located below the sidewalk on West 30th Street with extremely limited access provided by an access panel set in the sidewalk. According to the Phase I environmental assessment prepared by IVI Environment, Inc., dated 8/8/01, the oil tank passed a tightness test on 6/29/99 administered by A.L. Eastmond. The report goes on to note that since the tank is 72 years old and is past its expected useful life, the tank should be tested annually. A tank failure would cause serious environmental damage and it is recommended that the tank be

tested twice a year going forward and decommissioned in the near future and replaced with a new tank or gas service at an estimated cost of $75,000.

(b) Lead-based paint: Based on the age of the Building, lead-based paint would have been used in the painting of some surfaces of the original Building. Site observation, however, did not indicate areas of peeling paint, meaning that the paint was intact on the walls and ceilings. The Sponsor does not intend to remove any lead-based paint that may be in the Building, except to the extent required by Law, or removed in connection with Sponsor's Plans and Specifications for the rehabilitation of the Building and the construction of the Units. In the future, if the walls and ceilings of the Residential Units are demolished or altered, code approved provisions for treatment of lead-based paint surfaces will need to be followed, including approval of the Condominium Board if testing reveals the presence of lead-based paint.

(c) Only one means of egress from the cellar and sub-cellar levels: There is only one means of egress from the cellar and sub-cellar areas. This is insufficient to meet current code standards that require two means of egress. It was not ascertained if this is a pre-existing condition in place before the code requirement for multiple egress from cellar/sub-cellar spaces were put in place. No violation has been issued. If in the future, the New York Fire Department or Building Department requires multiple egress from the sub-cellar, the estimated cost to provide the second means of egress would be approximately $45,000 if a new 2 story public stair were to be built in the former elevator enclosure located on the eastern side of the Building (along with some partition and door work included in the cost estimate). The enclosure would be built in mechanical room #2 (which is part of the Residential Limited Common Elements) in the sub-cellar, and a specified part of Commercial Unit 2. See the floor plan for Commercial Unit 2 in DOCUMENT 5 of Part II for location and see Section H, subsection H-7.6 for right and easement in favor of Condominium Board to erect and install such public stair. If a second means of egress is required for Commercial Unit 2 on its cellar level, the Owner of such Commercial Unit will have the right and easement, and will be obligated, at its sole Cost and Expense, to remove a Party Wall separating such Unit and the public corridor adjacent thereto and install therein a door meeting all fire and building code requirements (see said subsection H-7.6 for discussion).

(d) Elevator defects. Within the next seven to ten years, the elevators will require a thorough modernization that will cost an estimated $260,000 (exclusive of inflation). This modernization/upgrading of the two elevators will be required to maintain long term reliability and satisfactory levels of performance. Typical modernization projects include the installation of microprocessor based controllers, selectors, solid state landing and leveling systems, signals, operating fixtures, door rehabilitation package, and the repair/replacement of worn components.

(e) Asbestos. Notwithstanding the filing of ACP-5 or ACP-7 reports which the Sponsor may file, the Sponsor makes no representation that any Units or common areas are free of asbestos or asbestos carrying materials. A "Limited Asbestos-Containing Materials Survey" dated October 24, 2002, prepared by IVI International, Inc., reveals that asbestos-containing material is present in certain portions of the Building, which will require the Condominium Board to institute an operations and maintenance (o & m) program as outlined in the Asbestos Report included in Document 4A in Part II of this Plan.

A-31. Remedies for Construction Defects: If Sponsor defaults in Sponsor's Obligations to correct Construction Defects, the sole right and remedy of a Purchaser (for Construction Defects in Purchaser's Unit) or the Condominium Board (for Construction Defects in the Common Elements) is a suit to compel Sponsor to repair, replace or otherwise correct the Construction Defects, but Sponsor shall not be liable to Purchasers or the Condominium Board for any losses or damages (whether actual, consequential, incidental, special, indirect or otherwise) based negligence, breach of contract or implied warranty or otherwise resulting therefrom (see Section O, subsection O-2.11.4 below).

END OF SECTION A

SECTION B. INTRODUCTION

B-1. Purpose of Plan. The purpose of this Plan is to set forth all the material terms of this offer. This Plan consists of this Part I and the Documents in Part II. The Plan may be amended by Sponsor from time to time when an Amendment is filed with the New York State Department of Law ("**Department of Law**" or "**Attorney General**"). Amendments to this Plan will be served on all "offerees" as defined in Part 20 of Title 13 NYCRR ("**Part 20**"), Section 20.1, which includes Purchasers and (after the First Closing of a Residential Unit) Unit Owners. Sponsor reserves the right to file Amendments that will substantially change the terms of this Plan and may adversely affect rights of Purchasers to the extent not prohibited by Part 20 (see Section AA, subsection AA-4 for discussion, including the right of Purchasers to rescind the Purchase and Sale Agreement following material adverse Amendments). A prospective Purchaser may be required to deposit one hundred dollars ($100) to obtain the Plan and any Amendments. The deposit will be held by Sponsor and credited to the Unit's Purchase Price or will be refunded if the Plan and any Amendments are returned within thirty (30) days in reasonably good, reusable condition.

B-2. New York Condominium Act. The condominium will be subject to and will comply with Article 9-B of the Real Property Law of the State of New York ("**New York Condominium Act**" or "**Condominium Act**"). The condominium will be established by Sponsor duly signing, recording and filing in the Register's Office of the City, County and State of New York, a Declaration of Condominium against the Property (see DOCUMENT 6 in Part II) and the Exhibits thereto, including the By-Laws and the Rules and Regulations appended thereto (see DOCUMENT 7 in Part II), and the Floor Plans of the Units and the Building (all of the foregoing are collectively, "**Condominium Documents**"). The "**Property**" consists of the building known as 130 West 30th Street (a/k/a 128-34 West 30th Street), New York, NY ("**Building**") and the parcel of land thereunder ("**Land**"), which is more particularly identified in EXHIBIT A to the Declaration. The term "**Condominium**" refers to the Property submitted to the provisions of the Condominium Act and to be know as 130 West 30th Street Condominium.

B-3. Sponsor. The Sponsor of this Plan is 130 West 30th, LLC, having an address at 115 West 30th Street, Suite 203, New York, New York 10001. Sponsor acquired legal title to the Property by deed dated September 20, 2001.

B-4. The Units. Sponsor is offering for sale under this Plan all 45 Residential Units and 16 Storage Units, which are in the course of construction or to be constructed. Sponsor reserves the right, Freely and Without Consent, Payment or Restriction (other restrictions expressly stated below): (a) to limit a Purchaser from buying more than one Residential Unit and one Storage Unit; (b) to determine the order in which Residential Units and Storage Units are sold; (c) to temporarily withdraw a Residential Unit or Storage Unit from sale without prior notice while preparing and processing a price increase Amendment; (d) to withhold a Residential Unit or Storage Unit for future sale, but Sponsor will amend the Plan to identify the affected Unit being so withheld; (e) to reject any purchase offer without cause or explanation, except no purchase offer will be rejected based on grounds prohibited by civil rights Laws (see Section AA, subsection AA-3 below); (f) to lease Storage Units; and (g) to lease Residential Units to other than Purchasers after 50% of the Residential Units are sold and conveyed to Purchasers for personal occupancy by themselves or their families, if market conditions become less favorable than those existing at the time of Filing of this Plan, subject to Sponsor's undertaking to endeavor in good faith to sell all Residential Units at prices determined in good faith to be satisfactory to Sponsor (see Section A, subsection A-11 above).

The Condominium will also include four (4) Commercial Units, which are not being offered for sale and will be owned by Sponsor upon establishment of the Condominium and held for investment and used for rental operation. Sponsor reserves the right to amend the Plan to offer one or more Commercial Units for sale.

B-5. Basic Aspects of Condominium Ownership. The basic aspects of condominium ownership are as follows.

B-5.1. Ownership and Possession. At the Closing under the Purchase and Sale Agreement, the Purchaser will own his or her Unit outright and will be entitled to exclusive possession of that Unit together with an interest in and right to use the General Common Elements in common with other Unit Owners and exclusive right to use the Residential Limited Common Elements in common with other Residential and Storage Unit Owners, subject to certain easements and rights in favor of Sponsor and others, as explained below. All references in this Plan and the Condominium Documents to the rights and easements in favor of Sponsor, or similar words, mean the rights and easements of the respective Owners of the Unsold Residential and Storage Units, and the Commercial Units, from time to time, including Sponsor while Sponsor owns any one or more of these Units.

A Unit is the part of the Property owned separately by the Unit's Owner and includes the following individually-owned elements (if and to the extent included in Sponsor's Plans and Specification or installed by a Unit Owner): (a) all entrance and interior doors; (b) all interior partitions; (c) all windows (including frames, panes, glass, latches and mechanisms) and interior sills; (d) all window blinds, shades and treatments; (e) kitchen and bathroom appliances, plumbing fixtures, cabinets and countertops; (f) all finishes and coverings of the Unit's walls (like plaster, paint and wallpaper or fabric, wood paneling, baseboards and moldings), floors (like wood flooring, tiles and carpeting) and ceilings (like plaster and paint); (g) smoke detectors; and (h) all individual plumbing, electric, gas, heating, ventilation, air conditioning, hot water, telephone, television, intercom, lighting, sprinkler and other individual mechanical Systems, and the portions of any Building-wide Systems that serve exclusively the Unit, whether exposed to view or concealed behind walls or partitions (including: radiators; pipes; electrical wiring, outlets, switches and fuses, meters and submeters; sprinkler heads; jacks; and ventilation fans). Pavers, tiles or other protective flooring or covering constituting the Terrace or Planting Terrace appurtenant to a specified Residential Unit is part of such Unit (the Roof and its appurtenant Roof Structures under, in and enclosing a Terrace or Planting Terrace are part of the Residential Limited Common Elements and not part of such Terrace or Planting Terrace). The rear yard adjacent to each of Commercial Units #1 and 2 and the Roof thereover are part of such Commercial Unit. The license or right to use Vault #1 and its sidewalk hatch are part of Commercial Unit #1. A Residential or Storage Unit does not include the following, which are part of the Residential Limited Common Elements: (a) the Building's façade and exterior walls, including all heads, jambs and exterior sills (collectively, "**Building Walls**") enclosing a Residential or Storage Unit; (b) the Party Walls separating a Residential or Storage Unit from another Unit or a portion of the Common Elements; (c) the Building's Base Floors (below a Unit's wood or other flooring) and Base Ceilings (above the Unit's ceiling paint, plaster or other finish); and (d) any chase walls, ducts, shafts, conduits, risers and the like serving two (2) or more Units or the Residential Limited Common Elements, regardless of their location within or bordering a Unit. See Section 6.8 of the Declaration (DOCUMENT 6 in Part II) for a complete list of all individually-owned elements included in a Unit.

B-5.2. Common Elements. The space owned separately and exclusively in a condominium is called a "**Unit**". At Closing of Title, the Purchaser will be the legal (or "fee title") owner of his or her Unit like a private home.

The space owned in common by all Unit Owners is called the "**Common Elements**". The Common Elements include the Structural Components of the Building (other than those portions of the Building Walls, the Base Floors and the Base Ceilings enclosing a Commercial Unit, or the half-portion of a Base Wall or Base Ceiling nearest to and enclosing both a Commercial Unit and a Common Element or another Unit, which are part of such Commercial Unit), all Building Equipment, Facilities, Systems and other Installations not expressly stated to be part of a Unit and all other parts of the Property necessary or convenient to its existence, maintenance and safety, or normally in common use.

Although the Common Elements of the Condominium are "owned" in common by all Unit Owners, certain Common Elements are for the "general use" in common by all Unit Owners (these are herein called "**General Common Elements**") and certain Common Elements are for the "limited" use in common by only the Residential and Storage Unit Owners (these are herein called "**Residential Limited Common Elements**"), subject to certain easements and rights in favor of Sponsor and others.

B-5.2.1. General Common Elements. The General Common Elements include the following: (a) Land: those portions of the Land not occupied by the Units; (b) Structural Components: those portions of the Building's Structural Components constituting the Building's foundation, foundation walls, footings, pilings and structural columns, beams, supports and similar structural members; (c) on the Sub-cellar: the public corridor, public stair #3 and mechanical room #1; (d) on the Cellar: the electrical room, the gas/water meter room, the public corridor adjacent to such rooms, the public stair #4 and the public corridor adjacent to such public stair; (e) on Floor 1: the service lobby, the adjacent exterior vestibule, the landings of public stairs #1, #2, #3 and #4, and the public corridor adjacent to public stairs #1 and #4; (f) on Floor 21 mechanical level: the mechanical room and the Equipment and related Installations housed therein (e.g., the sprinkler water reserve tank, the standpipe water reserve tank and related pumps), the Roof enclosing the mechanical room and the lighting System for such room; (g) Equipment, Installations and Systems: generally, all Building Equipment, Installations and Systems serving all or a portion of both the Residential Space (i.e., the Residential and Storage Units and the Residential Limited Common Elements) and the Commercial Units, regardless of their location within or bordering a Unit or elsewhere in, on, under or adjoining the Building; and (h) Vault: the license or right to use the General Vault (i.e., Vault #2) and its sidewalk hatch. See Section 7.2 of the Declaration (DOCUMENT 6 in Part II of the Plan) for a complete list of all General Common Elements. The portions of said Building-wide Equipment, Installations and Systems that serve exclusively the Residential Space or one (1) or more Commercial Units (e.g., risers, distribution or branch lines, pipes, conduits, ducts and the like) are part of respectively the Residential Limited Common Elements or a Residential or Storage Unit (as applicable) or such Commercial Unit(s).

B-5.2.2. Residential Limited Common Elements. The Residential Limited Common Elements include the following: (a) Structural Components: those portions of the Building's Structural Components constituting: the Building Walls enclosing the Residential Space; the main Roof and the several set-back Roofs and their related Roof Structures (which include the asphalt or other roofing material, insulation, membrane, flashing and supports (if any) for a Terrace or Planting Terrace, but exclude the pavers, tiles or other protective flooring or covering thereover, which constitutes the Terrace or Planting Terrace appurtenant to, and part of, a specified Residential Unit); the bulkheads enclosing the elevator machine room and the public stairs #1 and #2; the Roofs and related Roof Structures of such bulkheads; the Roof over a portion of Residential Unit 19B; and the Party Walls, Base Floors and Base Ceilings enclosing the Residential Space, but not the half portion of these elements that also enclose and are nearest to a Commercial Unit (which half portion is part of such Commercial Unit); (b) on the Sub-cellar: the boiler room and mechanical

room #2, together with the boiler and other Equipment and related Installations housed in such rooms serving exclusively the Residential Space; (c) on the Cellar: the refuse compactor room together with said compactor and its related Installations; (d) on Floor 1: the 130 West 30th Street Building entrance, vestibule and lobby (collectively, "**130 West 30th Street Public Areas**") and the lavatory adjacent to the service lobby; (e) on Floor 1 Mezzanine: the public stairs #1 and #2 and the exit corridor adjacent to public stair #2; (f) on Floors 2 to 19: (if and where applicable) the elevator lobby, the public corridor, the public hall, the public stairs #1 and #2, the refuse chute and the room housing same, the mechanical room and the Roofs enclosing the Residential Space; (g) on Floor 20: the main Roof and its related Roof Structures, the storage room and the public stairs #1 and #2; on Floor 21 mechanical level: the elevator machine room and the bulkhead Roofs and related Roof Structures enclosing the public stairs #1 and #2, and the Roof enclosing Residential Unit 19B; on the Upper Roof: the Roof and related Roof Structures and skylight enclosing the elevator machine room; (h) Elevators: elevators #1 and #2 and their respective shafts, pits, Equipment and Installations, and the room, housing same; and (i) Equipment, Installations and Systems: generally, all Equipment, Installations and Systems, and the portions of all Building-wide Equipment, Installations and Systems serving exclusively or primarily the Residential Space, regardless of their location within or bordering a Unit or elsewhere in, on, under or adjacent the Building, but not those portions of these elements that serve exclusively one (1) Unit (which are part of such Unit). See Section 7.3 of the Declaration (DOCUMENT 6 in Part II) for a complete list of all Residential Limited Common Elements.

B-5.2.3. Association's Properties. The Condominium consists of an unincorporated association of the Unit Owners (**"Condominium Association"** or **"Association"),** which is governed by a board of managers (**"Condominium Board"** or **Board"**) elected by the Unit Owners (see subsection B-5.6 below). The Condominium Board, on behalf of the Association, may purchase or lease Residential and Storage Units, collect Common Charges, receive payments for the Association's Working Capital Fund, and potentially earn interest or income on investment of the monies held from time to time. These and all other assets owned, leased, licensed or otherwise held by the Condominium Board on behalf of the Condominium Association, whether real or personal property, chattel real, intangibles or otherwise, are collectively called the **"Association's Properties"**. Those assets of the Association's Properties that will be owned, leased or held by the Condominium Board on behalf and for the account of only the Residential and Storage Unit Owners (e.g., the Units purchased or leased pursuant to the Board's "Right of First Refusal" (see subsection B-5.5.2 below), the monies collected from payments of the Residential Common Charges and the Working Capital Fund, and any interest or investment income earned on all such monies) are herein called the **"Association's Residential Properties"**. All other assets comprising the Association's Properties will be owned, leased or held by the Condominium Board on behalf and for the account of all Unit Owners (e.g., the monies collected from payments of the General Common Charges and any interest or investment income earned thereon) and are herein called the **"Association's General Properties".** All references herein to the Condominium Board shall include any nominee or designee, incorporated otherwise, organized by the Board to act on behalf of the Condominium Association. Unless otherwise expressly indicated, the references in this Plan (including the Declaration and By-Laws in Part II of the Plan) to the rights, requirements and obligations with respect to any Disposition of: (a) the Common Elements shall apply to the Association's Properties; (b) the General Common Elements shall apply to the Association's General Properties; or (c) the Residential Limited Common Elements shall apply to the Association's Residential Properties.

B-5.2.4. Common Interest. Each Unit Owner owns a proportionate, undivided interest in the Common Elements (**"Common Interest"**), which cannot be separated from the Unit. See SCHEDULE A (in Section E) for the percentage of Common Interest of each Unit and the statutory

method used to determine each Unit's Common Interest. The Common Interest of each Unit also constitutes a proportionate, undivided interest of each Unit Owner in the Association's General Properties. The Common Interest of each Residential and Storage Unit constitutes, in addition, a proportionate, undivided interest of each Residential and Storage Unit Owner in the Association's Residential Properties.

B-5.3. Common Charges. Each Unit Owner shall be charged, and must pay, the Owner's proportionate share of the Condominium's expenses ("**Common Charges**") in accordance with the New York Condominium Act, Real Property Law ("**RPL**") Sections 339-i and 339-m. Pursuant to RPL Section 339-m, the Declaration and By-Laws provide that the Condominium's expenses shall be specially allocated and apportioned based on special or exclusive use or availability or exclusive control of particular Units or common areas by particular Unit Owners in a manner different from those Common Expenses to be paid by all Units in proportion ("**Pro Rata**") to their respective Common Interests. This special allocation and apportionment of the Condominium's expenses is herein called the "**Special Allocation and Apportionment Rule**" and such "special or exclusive use or availability or exclusive control of particular Units or common areas by particular Unit Owners" is herein called "**Usage**".

The Condominium's expenses specially allocated and apportioned based on each Unit's Usage is herein called "**Specially Allocated and Apportioned Expenses**". These include the expenses: (a) to Maintain, Repair, Alter, lease, license, sell, mortgage, manage and otherwise Operate and make Dispositions of the Residential Limited Common Elements or the Association's Residential Properties, (b) to provide services specially or exclusively to the Residential and Storage Unit Owners and (c) generally, to conduct affairs affecting or benefiting only or primarily the Residential Space or the Association's Residential Properties. The foregoing expenses are herein collectively called the "**Residential Common Expenses**" and constitute the Specially Allocated and Apportioned Expenses assessed to only the Residential and Storage Unit Owners based on their exclusive or substantially exclusive Usage of the Residential Limited Common Elements and the Association's Residential Properties. The Residential Common Expenses shall always be allocated to only all Residential and Storage Units as one (1) group of Units and shall always be apportioned among them Pro Rata to their respective Common Interests. The Commercial Units shall not be allocated or assessed any Residential Common Expenses. The "**Residential Common Charges**" are the share of the Residential Common Expenses charged to each Residential and Storage Unit in accordance with its Common Interest.

The Condominium's expenses: (a) to Maintain, Repair, Alter, lease, license, sell, mortgage, manage and otherwise Operate and make Dispositions of the General Common Elements or the Association's General Properties, (b) to provide services to all Unit Owners and (c) generally, to conduct affairs affecting or benefiting the entire Property or all Unit Owners are herein collectively called the "**General Common Expenses**". The "**General Common Charges**" are the share of the General Common Expenses charged to all Residential and Storage Units and to the Commercial Units in accordance with the amount fairly and properly attributable to each group of Units or to only a particular Unit. The General Common Expenses are allocated to all Units and generally are apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount of a projected General Common Expense item fairly and properly attributable to the Residential and Storage Units or to one or more Commercial Units would otherwise require, in which case such fair and proper apportionment shall be used ("**Specially Apportioned General Common Expenses**") in accordance with the Special Allocation and Apportionment Rule.

The Residential Common Expenses and the General Common Expenses are herein together called the "**Common Expenses**". For a further discussion and details of the Residential Common Expenses and the General Common Expenses (including the Specially Apportioned General

Common Expenses), see Section F and the First Year's Budget (SCHEDULE B) contained therein, and Section R, subsection "R-3. Common Charges and Special Assessments".

B-5.4. Compliance with the Condominium Documents. Each Unit Owner is obligated to comply with the Declaration, the By-Laws and the Rules and Regulations, as they may be duly amended from time-to-time. These Condominium Documents, among other things, place reasonable restrictions on the use and occupancy of the Units and Common Elements in order to avoid one Unit Owner from unreasonably interfering with the rights or enjoyment of another Unit Owner or to prevent the Common Elements from being used improperly. If a Unit Owner violates any of these provisions, such Unit Owner may be enjoined by a court in a Lawsuit brought by the Condominium Board and will be liable for all Costs and Expenses incurred by the Board in connection therewith and to collect such Costs and Expenses. See Section R, subsection "R-8. Remedies" for discussion.

B-5.5. Restrictions on Use, Resale, Leasing and Mortgaging.

B-5.5.1. Use. A Sold Residential Unit may be used only as a one-family dwelling and any incidental home occupation allowed by Law. A Sold Storage Unit may be used only for storage of non-flammable personal belongings and effects of the Unit's Owner, and the tenants and occupants of such Owner's Sold Residential Unit. These restrictions do not apply to Unsold Residential and Storage Units or the Commercial Units, which may be used, Freely and Without Consent, Payment or Restriction, for any lawful purpose, other than Prohibited Uses. See Section R, subsection "R-7. Restrictions on Occupancy and Use".

B-5.5.2. Resale and Leasing. A resale or leasing of a Sold Residential Unit or a Sold Storage Unit is subject to the right of the Condominium Board, or its nominee or designee, to purchase or lease the Sold Unit on the same terms offered by a bona fide purchaser or tenant (**"Right of First Refusal"** or **"Match Offer Right"**). Certain resales and leasing are exempt from the Board's Right of First Refusal (e.g., a sale or lease to an adult member of the Owner's immediate family or a transfer by gift or a devise under a will of a deceased Owner). The Board does not have the right to approve the sales price, the rent or the other terms of a resale or lease. A lease, however, must meet certain requirements (e.g., the term may not be less than one (1) year) and cannot be assigned or the Unit sublet without obtaining the prior written Discretionary Approval or Consent of the Condominium Board). The Condominium Board or its Managing Agent or attorneys may also collect reasonable fees and expenses in connection with processing a resale or lease that is subject to the Board's Right of First Refusal. The Board's Right of First Refusal and the other restrictions, requirements and payments do not apply to Unsold Residential and Storage Units or the Commercial Units, each of which may be sold, transferred and leased Freely and Without Consent, Payment or Restriction (other than the restriction against using a Unit for any Prohibited Uses). See Section R, subsection "R-1. Sale or Lease of Units by Unit Owners" for full discussion of these provisions.

SPECIAL RISK: Ownership of a Storage Unit is restricted to Sponsor or an Owner of a Residential Unit. As a result, a Purchaser of a Residential Unit and a Storage Unit may only resell or transfer the Storage Unit to another Residential Unit Owner or, upon the resale or transfer of the Owner's Residential Unit, to the purchaser on such resale or the succeeding Owner on a transfer.

B-5.5.3. Mortgaging. Each Unit may be separately encumbered by one (1) or more mortgages held by any lenders, without the consent or approval of the Condominium Board and without restriction, except no new mortgage may be given while an Owner is in default in paying the Common Charges or other unpaid liens on the Unit are outstanding (other than Permitted Mortgages). A copy of the each mortgage is to be filed with the Condominium Board. See

Section R, subsection "R-2. Mortgaging of Units by Unit Owners" for discussion. See also Section W, subsection W-1.3 for the fee to be paid by an Owner to the Managing Agent if any Board action is requested with respect to a mortgage financing or refinancing of a Sold Unit.

B-5.6. The Condominium Board. The affairs of the Condominium and the Operation of the Building will be governed and administered by the Condominium Board. Initially, the Condominium Board will consist of one (1) Board Member designated by Sponsor. Sponsor will call the first meeting of Unit Owners to be held approximately 60 calendar days after the earlier to occur of: (a) the first anniversary of the First Closing of a Residential Unit; or (b) the date that the Sold Residential and Storage Units constitute more than 50% in Common Interest and number of all Residential and Storage Units. At such first meeting, the Unit Owners will elect a new nine (9) member Condominium Board, comprised of seven (7) Residential Board Members and two (2) Commercial Board Members.

The Residential Board Members will consist of a specified number of Sponsor Board Members and Independent Board Members. The Sponsor Board Members will be appointed and designated exclusively by Sponsor. The Independent Board Members will be elected by all Sold and Unsold Residential and Storage Unit Owners, each of whom will have one (1) vote for each 0.001% of Common Interest (e.g., 2,137 votes if the Common Interest is 2.137%). See Section Q, subsections Q-1 and Q-6 for details.

For the first five (5) years from the First Closing of a Residential Unit or whenever the Unsold Residential and Storage Units constitute less than 50% in number and Common Interest of all Residential and Storage Units, whichever is sooner (i.e., the Sponsor Board Control Period), the Sponsor Board Members will constitute a majority of both all Board Members and the Residential Board Members, thereby giving Sponsor voting control of the Board and the Residential Board Members. During the Sponsor Board Control Period, there will be no limitation or restriction on Sponsor's right to nominate and vote for Independent Board Members. At all Board elections held after the end of the Sponsor Board Control Period, Sponsor will no longer have the right to "nominate" any candidates to serve as Independent Board Members (who will then constitute a majority of the Condominium Board) and thus Sponsor cannot exercise voting control of the Condominium Board, but Sponsor shall continue to have the right to "vote" (*without limitation or restriction*) for all candidates nominated to serve as Independent Board Members. In addition, after the end of the Sponsor Board Control Period, for so long as Sponsor owns at least one (1) Unsold Residential Unit, Sponsor shall continue to exclusively appoint and designate a specified minority of Residential Board Members. See Section P, subsection P-1 for full discussion.

In order to assure the creation of a fully viable condominium, the By-Laws contain a residency requirement pursuant to which a majority of the Condominium Board must be Owner-occupants or Owner-related occupants of the Building who are not related to Sponsor or its principals at all Board elections held after the end of the Sponsor Board Control Period (see Section Q, subsections Q-1.1 and Q-1.2).

B-5.7. Separate Taxes and Mortgages.

B-5.7.1. Real Estate Taxes. After the Condominium is established, The City of New York will separately assess and bill each Unit for real estate taxes. The estimated real estate taxes for each Residential and Storage Unit for the projected first year of Condominium Operation are listed in the Offering Price Schedule (SCHEDULE A in Section E). These estimates are based on certain assumptions and projections and are not assured or guaranteed (see footnote (6) to SCHEDULE A). Generally, the City will start separately billing each Unit for real estate taxes within approximately six (6) months after the Condominium Documents are recorded and filed. During

the interim period, the real estate taxes will continue to be assessed against the entire Property and will be paid by the Condominium Board as a General Common Expense charged to all Unit Owners, as explained more fully in said footnote (6) to SCHEDULE A and in "Section S. Real Estate Taxes". After the Units are separately assessed and billed, each Owner will be solely liable for the real estate taxes and assessments levied on his or her Unit and no lien may thereafter be placed against an Owner's Unit because of non-payment of the real estate taxes on another Unit.

B-5.7.2. Mortgages. Each Unit is separate and is not subject to the lien, nor liable for payments, of any mortgage placed on any other Unit.

B-5.8. Maintenance, Repairs and Insurance.

B-5.8.1. Maintenance and Repairs of Units. Each Unit Owner, at his or her sole Cost and Expense, shall Maintain and Repair (other than structural or extraordinary Repairs expressly stated in the Condominium Documents to be performed by the Condominium Board) his or her Unit and its individual Equipment and Installations in accordance and compliance with the Building's Maintenance Standard, which requires each Owner: (a) to keep his or her Unit (including its Terrace or Planting Terrace, if any) in good and proper working order, free of water leaks and undue air penetration, and otherwise in clean and sanitary condition; (b) to keep both sides of the windows, skylight (if any), entrances and other areas of the Owner's Unit exposed to public view in clean, neat and good appearance and first class condition in accordance with the high quality, character and dignity of the Building; and (c) to keep a Residential Unit's Terrace or Planting Terrace, and its drains, free and clear of snow, ice, water accumulation and debris. The foregoing Maintenance and Repair obligations apply to all individually-owned elements included in, and part of, the Unit (see subsection B-5.1). However, the windows and skylight (if any), the exterior side of Unit entrance and Terrace doors (and related door hardware and saddles), the Terrace or Planting Terrace (if any), and any other portion of a Sold Residential Unit exposed to public view shall not be Decorated, Repaired or Altered without obtaining the prior written Discretionary Approvals or Consents of both the Condominium Board and (during only the Sponsor Veto Control Period) Sponsor (this restriction does not apply to Unsold Residential and Storage Units or the Commercial Units, which may be Decorated, Repaired and Altered without the approval or consent of the Condominium Board or Unit Owners). See Section R, subsection "R-4. Repairs" and subsection "R-5. Additions, Alterations and Improvements" for discussion.

B-5.8.2. Maintenance and Repair of Common Elements and Association's Properties. The Condominium Board shall Maintain and Repair the Common Elements and the Association's Properties in accordance and compliance with the Building's Maintenance Standard (see Section R, subsections R-4.1.2 and R-4.1.3 below) and in a manner that: (a) shall not materially impair or prevent, nor unreasonably and materially interrupt or interfere with, the permitted Use and Enjoyment of a Unit; and (b) shall maintain the value of all Units and the Building services to be provided to the Units pursuant to the Declaration and the By-Laws. The Costs and Expenses of such Maintenance and Repairs shall be a General Common Expense (in the case of the General Common Elements and the Association's General Properties) or Residential Common Expense (in the case of the Residential Limited Common Elements and the Association's Residential Properties) and shall be allocated and apportioned in accordance and compliance with the Special Allocation and Apportionment Rule and Section 339-m of the Condominium Act. Pursuant thereto, the Commercial Unit Owners shall be allocated and assessed their allocable share of only that portion of the Costs and Expenses to Maintain and Repair those General Common Elements that actually service or are actually utilized by the Commercial Unit Owners (see subsection B-5.3 above).

B-5.8.3. Insurance. The Condominium Board will maintain fire and other casualty insurance insuring the Building, the Building's Equipment, the boundary walls of each Unit and the Building

standard bathroom and kitchen fixtures installed in each Residential Unit at the time the Unit is sold and conveyed by Sponsor. The insurance will include the interests of the Condominium Board, the Unit Owners and their Permitted Mortgagees. This insurance will not cover losses to the furniture, furnishings, personal belongings, fixtures or other improvements and contents in an Owner's Unit, including Decorations to walls, Base Floors, Base Ceilings and windows. Each Unit Owner will be responsible to obtain and pay for insurance covering the personal property and the contents of his or her Unit, including any Terrace or Planting Terrace, if desired.

The Condominium Board will also maintain liability insurance covering claims for personal injury and property damage arising from occurrences on the Common Elements, but not within or on Units or their Terraces. The insurance will include the interests of the Condominium Board, its officers, employees and agents, and each Unit Owner. Each Unit Owner will be responsible to obtain and pay for liability insurance to protect against occurrences within his or her Unit, if desired.

The premiums for the casualty and liability insurance maintained by the Condominium Board will be included in the General Common Expenses and charged to all Unit Owners as set forth in the First Year's Budget (SCHEDULE B in Section F) and the Condominium Documents. The minimum insurance coverages are also contained in such First Year's Budget.

B-5.9. Sidewalks. The sidewalks immediately adjacent to, and fronting, the Property (**"Immediately Adjacent Sidewalks"**) are owned by The City of New York and are not part of the Condominium or Common Elements. Nevertheless, each property owner is required by Law to keep the Immediately Adjacent Sidewalks clean and free and clear of snow, ice, debris and water accumulation (collectively, **"Sidewalk Cleaning Obligations"**) and properly Maintained and Repaired (collectively, **"Sidewalk Repair Obligations"**). Under the Condominium Documents, all Sidewalk Cleaning Obligations and all Sidewalk Repair Obligations (collectively **"Sidewalk Obligations"**) shall be performed by the Condominium Board as part of the General Common Expenses, which shall be allocated to all Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests (see Section R, subsection R-4.1.4 for discussion).

All uses of the Immediately Adjacent Sidewalks permitted by applicable Law (if any), including the installation of Signs, structures, extensions or objects, may be exercised by, and shall be for the exclusive use and benefit of, only: (a) the Residential Board Members and Sponsor with respect to the Immediately Adjacent Sidewalks to the Residential Space and the General Common Elements; or (b) the respective Owners of Commercial Units 1 and 2 with respect to the Immediately Adjacent Sidewalks to their Commercial Units. Sponsor and other Unsold Residential Unit Owners (if any) shall have preference and priority over the Residential Board Members and Sold Residential Unit Owners to use the Immediately Adjacent Sidewalks to the Residential Space and the General Common Elements, and may exercise such exclusive use and benefit Freely and Without Consent, Payment or Restriction, other than the requirement to comply with the applicable Work Requirements set forth in the Declaration (see Section 15.2 thereof). The Immediately Adjacent Sidewalks to Commercial Units 1 and 2 shall be for the exclusive use and benefit of the respective Owners of such Commercial Units and one (1) or more tenants or occupants of each such Unit (with the written permission only of the Owner of such Commercial Unit), who may exercise such exclusive use and benefit Freely and Without Consent, Payment or Restriction, other than the requirement to comply with the applicable Work Requirements set forth in the Declaration (see Section H, subsection H-7.16 for discussion).

B-6. Equipment and Fixtures Included in Sale. The offering price of each Residential Unit includes all appliances, equipment, cabinets, and electrical and plumbing fixtures included in Sponsor's Plans and Specifications and summarized in Section C, subsection C-1.5 below and the Description of Property and Specifications or Building Condition (DOCUMENT 4 in Part II of this Plan).

B-7. Prices Set By Sponsor Without Governmental Approval. The offering prices are set by Sponsor and are not subject to approval of the Department of Law or any other governmental agency.

B-8. All Material Terms Disclosed. This Plan delivered to prospective Purchasers contains all of the material terms of the transaction. Copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan will be available for inspection without charge and for copying at a reasonable charge to prospective Purchasers and their attorneys at the office of the Selling Agent or Sponsor set forth on the cover page of the Plan.

B-9. Who May Purchase. This offering is made to only individuals aged 18 years or older and Entities qualified to do business in the State of New York who are competent to own real estate in the State of New York.

B-10. Caveat. THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. THE ATTORNEY GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING A PURCHASE AND SALE AGREEMENT.

B-11. Glossary.

The words frequently used in this Plan (both Parts I and II) are defined below. Unless the context otherwise requires, whenever the words defined herein or elsewhere in this Plan are used in any number (singular or plural), gender (masculine, feminine or neuter) or tense (past, present or future), they shall include any other number, gender or tense, respectively, as the context may require.

"Agents, Employees and Contractors": All agents, employees, contractors and subcontractors, and their respective employees and workers.

"All Repair Work": All Maintenance and Repairs, whether structural or non-structural, or extraordinary or ordinary.

"Alter", "Alters", "Alterations" and other derivations thereof: All alterations, additions, improvements, installations, demolitions, removals or replacements, whether structural or non-structural, or extraordinary or ordinary.

"amend", "amended" and variations thereof: To amend, modify, add, delete, repeal or otherwise change.

"Amendment": An amendment to this Plan accepted and filed by the New York State Department of Law or to the Condominium Documents, as indicated by the text.

"approval": Unless otherwise expressly provided, the approval to be obtained is Discretionary Approval.

"Association's General Properties": As defined in Section B, subsection B-5.2.3 above.

"Association's Properties": As defined in Section B, subsection B-5.2.3 above.

"Association's Residential Properties": As defined in Section B, subsection B-5.2.3 above.

"Authorized First Sold Residential Unit Owner": As defined in Section O, subsection O-1.4 below.

"Base Ceiling": The concrete slab, metal decking, woodjoists and/or other construction material above the plaster, sheetrock or other finish covering a ceiling. The Base Ceiling borders the top of a Unit or Common Element and constitutes one of the Structural Components of the Building. The Base Ceiling of a Unit is also the Base Floor of the Unit immediately above such Unit.

"Base Floor": The concrete slab, metal decking, woodjoists and/or other construction material below the wood, vinyl, tile, carpet or other finish covering a floor, together with any underflooring. The Base Floor borders the bottom of a Unit or Common Element and constitutes one of the Structural Components of the Building. The Base Floor of a Unit is also the Base Ceiling of the Unit immediately below such Unit.

"Board": The Board of Managers of the Condominium

"Board Members": The members of the Condominium Board, including the Residential Board Members and the Commercial Board Members.

"Budget": The Budget of Projected Receipts and Expenses of Operation for the first 12 months of Condominium Operation (also called the "First Year's Budget").

"Budget Year": A Budget for the twelve (12) month period (fiscal or calendar) determined and adopted by the applicable Board Members.

"Building": The building known by the street address of 130 West 30th Street (a/k/a 128-134 West 30th Street), New York, New York 10001.

"Building Construction Standard": As defined in Section O, subsection O-2.11.1.

"Building's Maintenance Standard": To keep a Unit, including its Terrace or Planting Terrace (if any), or the Common Elements (as applicable) in good and proper working order, free of water leaks and undue air penetration, and otherwise in clean and sanitary condition. To keep all windows, skylight, Unit entrances, Terrace or Planting Terrace or rear yard and other areas of a Unit or the Common Elements exposed to public view in clean, neat and good appearance and first class condition in accordance with the high quality, character and dignity of the Building and all applicable Laws. To keep all Terraces, Planting Terrace, Roofs, yards, drainage systems, sidewalks immediately adjacent to the Building and other outdoor areas free and clear of snow, ice, water accumulation and debris.

"Building Walls": As defined in Section B, subsection B-5.1.

"business day": Any day of the year that is not a Saturday, Sunday or a legal holiday of the State of New York or United States government.

"business hours": Between the hours of 9:00 a.m. and 5:30 p.m.

"By-Laws": The By-Laws of the Condominium set forth as EXHIBIT D to the Declaration, as such By-Laws or a provision thereof may be amended from time to time in accordance with its provisions. The By-Laws provide for (among other matters) the administration and governance of the Condominium, the Operation and uses of the Property and Units and the rights and obligations of the Condominium Board and the Unit Owners. The proposed By-Laws are set forth as DOCUMENT 7 in Part II of this Plan.

"calendar day": Any day that is not a business day.

"Claims": All claims, rights, causes for Lawsuits and Lawsuits.

"Closing", Closing of Title" and words of similar import: The transfer of legal ownership of a Unit pursuant to this Plan and the Purchase and Sale Agreement.

"Closing Date": The date the Closing of Title occurs and Purchaser, among other things, pays the balance of the Purchase Price.

"Commercial Board Members": The members of the Condominium Board appointed and designated exclusively by the Commercial Unit Owners to represent their interests on the Condominium Board.

"Commercial Equipment": The Equipment and Installations comprising part of a Commercial Unit at any time.

"Commercial Unit": A portion of the commercial space in the Building, which constitutes one of the Condominium Units to be established under, and to be so designated as such in EXHIBIT B to, the Declaration, together with the Common Interest of such Unit. Each Commercial Unit includes all Equipment, Installations and Systems or portions thereof, wherever located, that are for the exclusive use, service or benefit of such Unit or its Owner and are not expressly stated in the Declaration to be part of the Common Elements or another Unit.

"Commercial Unit Owner": The Owner of a Commercial Unit.

"Common Charges": As defined in Section B, subsection B-5.3 above.

"Common Elements": As defined in Section B, subsection B-5.2 above.

"Common Expenses": As defined in Section B, subsection B-5.3 above.

"Common Interest": As defined in Section B, subsection B-5.2 above.

"Common Profits": The excess of: (a) all receipts of rents, profits and revenues from the Common Elements and the Association's Properties, and the Operation and governance of the Condominium and the Association's Properties by the Board, over (b) the Common Expenses.

"Communication Equipment and Other Installations": All antennae, satellite dishes and other communication devices and related Equipment (including fiber optic cable and other communication lines, wires, cables and conduits), plus any and all other new and/or additional Equipment and Installations that service or benefit Residential Units and/or the Commercial Units and/or the general public.

"Condominium": The condominium that is the subject of this Plan, to be known as 130 West 30th Street Condominium and to be established on the Property by the filing and recording of the Condominium Documents. The term refers to the Property being submitted to the provisions of the Condominium Act.

"Condominium Act": Article 9-B of the Real Property Law of the State of New York.

"Condominium Association": As defined in Section B, subsection B-5.2.3 above.

"Condominium Board": The Board of Managers of the Condominium, which is the body that governs the affairs of the Condominium and the Operation of the Common Elements and the

Association's Properties. The Condominium Board comprises the Residential Board Members and the Commercial Board Members.

"Condominium Documents": The Declaration, including the Exhibits thereto (such as the By-Laws and Rules and Regulations), and Floor Plans of the Condominium, as each may be amended from time-to-time.

"consent": Unless otherwise expressly provided, the consent to be obtained is Discretionary Consent.

"Construction Changes": As defined in Section O, subsection O-2.8 below.

"Construction Change Requirement": As defined in Section O, subsection O-2.8 below.

"Construction Defect": As defined in Section O, subsection O-2.11.2 below.

"Costs and Expenses" or **"Costs or Expenses"** or similar words: All losses, damages, liabilities, costs, expenses and amounts (including reasonable legal fees and disbursements, court costs and all other litigation expenses) paid, payable or incurred in connection with any Claim or to perform, observe, enforce, uphold, protect, defend, maintain, and to collect sums payable under, a right, remedy, obligation, requirement, agreement or indemnity given in or pursuant to the Condominium Documents or an Amendment thereto or this Plan or a Plan Amendment. This term also includes all costs and expenses: (a) to Operate and make any Disposition of the Common Elements and the Association's Properties, including interest and principal payments under a loan; (b) to conduct the affairs of the entire Property, the Association's Properties and the Condominium Association generally or only the Residential Space or the Association's Residential Properties (as applicable); and (c) to provide services to all Unit Owners or to only the Residential and Storage Unit Owners (as applicable).

"damages": All damages, whether actual, consequential, indirect, incidental, special, punitive or otherwise.

"days": All references in this Plan, the Declaration and By-Laws to "days" shall mean calendar days, unless expressly stated to be business days.

"Declaration": The instrument to be executed by Sponsor and recorded in the Register's Office, which submits the Property to condominium ownership pursuant to the Condominium Act.

"declare effective", "declared effective" and similar words: The election of Sponsor to declare this Plan effective based upon the Purchase and Sale Agreements for not less than the required minimum fifteen percent (15%) of the number of Residential Units being signed by bona fide Purchasers under this Plan. Such election shall be made in a written notice to all then existing Purchasers or (at Sponsor's exclusive option) in the Effectiveness Amendment.

"Decorate", "Decorations" and derivations thereof: All ornaments, furnishings, furniture, fixtures, embellishments and decorations of any kind, including: all manner of flooring (e.g., wood, tiles of any composition, carpeting, rugs and other floor coverings); all manner of baseboards and moldings; all manner of lighting fixtures and chandeliers and related switch plates and electrical outlets; all manner of doorknobs, hinges and other hardware; all manner of plants, flowers and landscaping; and all manner of wall and ceiling finishes and coverings (e.g., paint, plaster, wood paneling, fabric and wallpaper) .

"Defect Notice": As defined in Section O, subsection O-2.11.2 below.

"Department of Law": The Department of Law of the State of New York.

"Deposit": The amount deposited toward the Purchase Price of a Residential or Storage Unit under the Purchase and Sale Agreement.

"Depository": The Citibank Private Bank, at its office at 153 East 53rd Street, New York, New York, where the Deposits of Purchasers will be deposited.

"Discretionary Approval" or **"Discretionary Consent"** or **"Discretionary Approval or Consent"** or similar words: The approval or consent to be obtained is discretionary and may be conditioned, withheld or denied without cause or explanation, in the sole and absolute judgment of the Party whose approval or consent is sought or required to be given, without recourse against such Party in the event the approval or consent is conditioned, withheld or denied.

"Disposition": To own, hold, use, lease, sublease, rent, grant easements or concessions, license, mortgage, grant security interests, collateralize, assign, transfer, sell, convey, market, advertise, Promote, offer, manage, administer, clean, Operate (including maintain, Repair and Alter), improve, combine, subdivide, expand, contract or make any other disposition of real property or personal property allowed by Law, whether or not similar to the foregoing (but not to cast the votes appurtenant to any Unit owned by the Condominium Board or its designee or nominee).

"duties": All duties, obligations, burdens, responsibilities, requirements and services.

"Effectiveness Amendment": The Amendment disclosing that Sponsor notified then existing Purchasers of Sponsor's election to declare this Plan effective or (at Sponsor's option) a Plan Amendment in which Sponsor elects to declare this Plan effective.

"elect", "elected", "election" and similar words and derivations: To elect to serve on the Condominium Board by nomination and voting (in the case of the Residential Board Members) or by appointment and designation (in the case of the Sponsor Board Members and Commercial Board Members).

"Entity": A partnership, limited liability partnership or company, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government, embassy, consulate, Governmental Authority or any other entity legally competent to own real property.

"Equipment": All machinery, tools, apparatus, devices and implements comprising part of a Common Element or Unit (as applicable), at any time, whether mechanical, electrical, electronic, plumbing or otherwise (see EXHIBIT C to the Declaration for full definition).

"Facilities": All fixtures and personal property not otherwise comprising the Equipment, now or hereafter existing in, on or under the Land or Building and for the use, service or benefit of one (1) or more Units or Unit Owner(s) or forming a part of the Common Elements, or necessary or desirable for the existence, Maintenance, life, health or safety of the Property or any portion thereof or the Owners or occupants of one (1) or more Units.

"family," family member", "immediate family" or similar words: A spouse, child (whether by blood, marriage or adoption), parent (including a step parent or parent-in-law), grandparent and sibling.

"Filing": The acceptance for filing of this Plan or a Plan Amendment by the Department of Law.

"Filing Date": The date on a letter from the Department of Law advising that this Plan or a Plan Amendment has been filed or accepted for filing by the Department of Law.

"First Closing": The first Residential Unit conveyed to a bona fide Purchaser under this Plan.

"First Year's Budget": The projection of receipts and expenses of the Property for the first twelve (12) months following the projected date of First Closing of a Residential Unit contained in SCHEDULE B, set forth in "Section F. Budget for First Year of Condominium Operation".

"Floor Plans": The floor plans of the Building (showing, among other things, the layout, location and approximate dimensions of the Units as built) to be filed with the Real Property Assessment Department for the Borough of Manhattan, in the City and State of New York and in the Register's Office.

"Force Majeure": Acts of nature (such as flood, earthquake or severe or unusually inclement weather), explosion, fire, strikes, work stoppage or slowdown, unavailability of materials supplies, war, emergencies, national defense preemptions, governmental restrictions or actions, injunctions or court orders, or other cause or event beyond the control of Sponsor, the Condominium Board or other Person in question (as applicable) and not attributable to the improper or bad faith acts or omissions of such Person.

"Freely and Without Consent, Payment or Restriction": This term means and includes, unless otherwise expressly provided: (a) without consent or approval of the Condominium Board or other Unit Owners or mortgagees of Units; (b) without paying any kind of fee, rental, charge, imposition or other sum to the Condominium Board, or its Managing Agent, attorneys or other professionals or consultants, or to Unit Owners; and (c) without complying with any kind of work rule, restriction, requirement or limitation of the Condominium Board or other authority, other than the restriction against Prohibited Uses and the requirements to comply with all applicable Laws, the applicable Work Requirements set forth in Section 15.2 of the Declaration and any other expressly stated restriction, requirement or limitation.

GBL": Article 23-A of the General Business Law of the State of New York and Part 20 of Title 13 NYCRR setting forth the regulations promulgated by the Department of Law, which are applicable to this Plan.

"General Common Charges": As defined in Section B, subsection B-5.3 above.

"General Common Elements": As defined in Section B, subsection B-5.2 above.

"General Common Expenses": As defined in Section B, subsection B-5.3 above.

"General Vault": The Vault for the use and benefit of all Unit Owners and the Common Elements.

"Governmental Authorities": All authorities, agencies, departments, assessors, boards, bodies, courts and other instrumentality's of a federal, state, county, municipal, village, local, foreign, international, regional, domestic or other governmental or quasi-governmental authorities having jurisdiction.

"Government Documents": All notices, reports, registrations, applications, petitions, declarations, easements, licenses, forms, items, papers and other documents to be filed with, or

given or submitted to, a Governmental Authority (see EXHIBIT C to the Declaration for full definition).

"HVAC": Heating, ventilating and air conditioning.

"HVAC/Mechanical/Utility Building Systems": HVAC and hot and cold water, storm drainage, refuse, waste, sprinkler, standpipe, electrical, gas, cable television, intercom, security, telephone and all other Building Systems.

"Immediately Adjacent Sidewalks": As defined in Section B, subsection B-5.9 above.

"include", "includes", including", "such as", "for example" and similar words and derivations: Wherever these words precede a list of one or more items, the list is not be limited to the item(s) mentioned and shall always be construed as though followed by the words "but not limited to".

"indemnify": Whenever this term is used, it shall include to defend and hold harmless, and shall apply to the Related Parties of the Party being indemnified and the respective heirs, legatees, distributees, executors, administrators, legal representatives, successors and assigns of such indemnified Party and Related Parties.

"Independent Board Members": The members of the Condominium Board who have no family, employment or business relationship or affiliation with Sponsor or an Unsold Unit Owner or a Related Party to Sponsor or an Unsold Unit Owner. Generally, the Independent Board Members are the Owners, occupants or tenants of Sold Residential Units or their respective family members or Related Parties.

"individual": A natural person.

"Initial Working Capital Fund": The amount to be advanced to the Working Capital Fund by Sponsor at the First Closing for application to the Residential Common Expenses and the portion of the General Common Expenses assessed to Residential and Storage Unit Owners (including to pay the apportionments of certain Building expenses at the First Closing if in favor of Sponsor) as set forth in "Section V. Working Capital Fund".

"Installations": All Equipment, Facilities, Systems, structures and fixtures now or hereafter existing in, on, under or adjacent to the Land or Building and for the use, service or benefit of one (1) or more Units or Unit Owners or forming a part of the Common Elements, or necessary or desirable for the Use and Enjoyment of the Property or any portion thereof or the Owner, tenant or occupant of one (1) or more Units.

"Institutional Lender": A savings bank; savings and loan association; bank or trust company; credit union; insurance company; real estate investment trust; mortgage trust; or a federal, state, municipal, union or other employee, welfare, pension or retirement fund or system.

"Institutional Mortgage": Any mortgage covering one (1) or more Units whose initial holder is either an Unsold Unit Owner (including Sponsor), or its designee or nominee, or an Institutional Lender.

"Insurance Trustee": An Institutional Lender having both an office in the City and State of New York and a capital surplus and undivided profits of $100,000,000 or more, from time-to-time appointed to serve as such by the Condominium Board.

"Land": The parcel of land on which the Building is located and more particularly identified in EXHIBIT A to the Declaration in Part II of this Plan. The portions of the land occupied by the Units are included in, and are part of, the Units and all other portions of the land are included in, and part of, the Common Elements. The Land includes, and is subject to, all easements, agreements, covenants, restrictions, rights, privileges, benefits, encumbrances, burdens and other matters of record appurtenant thereto.

"Landmark Law": Section 3020 of the New York City Charter and Title 25, Chapter 3 of the New York City Administrative Code.

"Latent Construction Defect": As defined in Section O, subsection O-2.11.2 below.

"Laws": All applicable laws and ordinances of federal, state, city or other local Governmental Authorities and all applicable regulations, codes, rules, orders, permits, directives and requirements of all Governmental Authorities having jurisdiction over the Property or the Condominium.

"Lawsuits": All suits, whether legal or equitable, disputes, controversies and litigation brought in or before any court or judicial system (federal, state, local or international), governmental or administrative authority, arbitration or mediation association or alternative dispute resolution body.

"Liabilities and Expenses": All liabilities, judgments, awards, losses, damages, penalties, fines and Costs and Expenses.

"Litigation Document": Any pleading, affidavit, petition, application, motion, interrogatory or other document utilized in connection with any litigation (see EXHIBIT C to the Declaration for full definition).

"Maintain, Maintenance" and similar words: To inspect, test, paint, keep and otherwise maintain a Unit or the Common Elements (as applicable) in accordance and compliance with the Building's Maintenance Standard.

"majority of Board Members" or **"majority of Residential Board Members"**: More than fifty percent (50%) of all Board Members or all Residential Board Members, or more than 50% of those Board Members or those Residential Board Members attending a duly constituted Board meeting at which a quorum is present, as may be specified or indicated by the text.

"majority in Common Interest of Unit Owners" or **"majority in Common Interest of Residential and Storage Unit Owners"**, or words of similar import or other specified percentage: Owners of more than fifty percent (50%) (or other specified percentage) in aggregate absolute Common Interests appurtenant to all Units or all Residential and Storage Units, or Owners of more than fifty percent (50%) (or other specified percentage) in aggregate absolute Common Interests of only those Unit Owners or only those Residential and Storage Unit Owners who are present, in person or by proxy, and voting at a duly constituted meeting of Unit Owners or Residential and Storage Unit Owners at which a quorum is present, as applicable or indicated. All references herein to "Units" shall exclude for quorum and voting purposes any Unit while such Unit is owned by the Condominium Board or its nominee or designee and all references to "Unit Owners" shall exclude for quorum and voting purposes the Condominium Board or its nominee or designee as Owner of any Unit. An Owner of more than one (1) Unit shall be counted as a separate Owner for each such Unit for quorum and voting purposes. A Unit owned by more than one (1) Person shall be considered one (1) Unit Owner for purposes of counting the number or percentage of Unit Owners for quorum and voting purposes.

"majority in number of Unit Owners" or **"majority in number of Residential and Storage Unit Owners"**, or words of similar import or other specified percentage: Owners of more than fifty percent (50%) (or other specified percentage) in aggregate absolute number of all Units or all Residential and Storage Units, or Owners of more than fifty percent (50%) (or other specified percentage) in aggregate number of only those Unit Owners or only those Residential and Storage Unit Owners who are present, in person or by proxy, and voting at a duly constituted meeting of Unit Owners or Residential and Storage Unit Owners at which a quorum is present, as applicable or indicated. All references herein to "Units" shall exclude for quorum and voting purposes any Unit while such Unit is owned by the Condominium Board or its nominee or designee and all references to "Unit Owners" shall exclude for quorum and voting purposes the Condominium Board or its nominee or designee as Owner of a Unit. An Owner of more than one (1) Unit shall be counted as a separate Owner for each such Unit for quorum and voting purposes. A Unit owned by more than one (1) Person shall be considered one (1) Unit Owner for purposes of counting the number or percentage of Unit Owners for quorum and voting purposes.

"Managing Agent": The person engaged from time-to-time by the Condominium Board to perform the duties of a managing agent of the Building and initially will mean H. Justin Realty Services LLC, having an office at 115 West 30th Street, Suite 203, New York, New York 10001, the proposed first managing agent to be engaged by the Condominium Board.

"Match Offer Right": As defined in Section B, subsection B-5.5.2 above. Same as Right of First Refusal.

"Minor Construction Defect": As defined in Section O, subsection 0-2.11.1 below.

"Net Refundable Special Work Payment": As defined in Section A, subsection A-5 above.

"Offering Price Schedule": The list of offering prices of Residential and Storage Units in SCHEDULE A in "Section E. Offering Prices and Related Information" of this Plan.

"130 West 30th Street Public Areas": As defined in Section B, subsection B-5.2.2 above.

"Operate", "Operates", "Operation", "Operations" or derivations thereof: To Maintain, Repair, Alter and to otherwise use, operate, manage and conduct the business and affairs of: (a) the Residential Space; (b) the Association's Residential Properties; (c) the General Common Elements; (d) the Association's General Properties, (e) the entire Property, or (f) one or more Units, as the context requires, or as otherwise indicated by the text.

"Owner": The legal (record) owner of fee simple title of a Unit, including (as indicated, or otherwise expressly provided, by the text): (a) a Unit Owner; (b) a Residential Unit Owner; (c) a Storage Unit Owner; and (d) a Commercial Unit Owner. An Owner of more than one (1) Unit shall be counted as a separate Owner for each such Unit for quorum and voting purposes. A Unit owned by more than one (1) Person shall be considered one (1) Unit Owner for purposes of counting the number or percentage of Unit Owners for quorum and voting purposes.

"Owner-Occupied Residential Unit": A Residential Unit occupied by its Owner or a member of the Owner's immediate family.

"Owner-related Occupants": As defined in Section A, subsection A-11 above.

"Party": A Unit Owner, the Condominium Board (including a Residential or Commercial Board Member), a Permitted Mortgagee, a Registered Tenant and an Insurance Trustee are each a party.

"Party Wall": A boundary wall or partition separating a Unit from another Unit or a portion of the Common Elements.

"Patent Construction Defect": As defined in Section O, subsection 0-2.11.2 below.

"Permitted First Mortgage": A first mortgage placed on a Unit in compliance with the By-Laws.

"Permitted First Mortgagee": The holder of a Permitted First Mortgage.

"Permitted Mortgage": A mortgage placed on a Unit in compliance with the By-Laws.

"Permitted Mortgagee": The holder of a Permitted Mortgage.

"Permitted Tenants/Occupants/Invitees": The tenants, occupants, invitees, licensees, contractors, subcontractors, agents, employees and workers permitted or authorized to occupy, use, visit or enter a Unit by the Owner of such Unit or pursuant to Law or the Condominium Documents.

"Person": A natural person (i.e. individual) or an Entity.

"Plan": This Condominium Offering Plan for the Property.

"Plan and Specifications": The plans and specifications for the rehabilitation, renovation, equipping and outfitting 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, hereafter be amended in accordance with the provisions of this Plan.

"Planting Terrace": An ornamental Terrace which is only a decorative element of the Building Walls and is not designed or intended for use as a Terrace.

"powers": All powers, rights, authorities, remedies, protections and benefits.

"presentation date", "presentation", "presented" and similar words: The day of hand delivery or (if mailed) the fifth (5th) day after mailing (whether by ordinary mail or registered or certified mail, with or without return receipt requested), whichever is the last to occur, of this Plan or a Plan Amendment to all then existing Purchasers and (after the First Closing) then existing Sold Residential and Storage Unit Owners.

"Prohibited Uses": As defined in Section A, subsection A-1 above.

"Projected First Year of Condominium Operation": The first twelve (12) months following the projected date of First Closing of a Residential Unit, as set forth in SCHEDULE B in Section F below.

"Promote", **"Promotion"** or derivations thereof: All manner of offering, advertising, marketing, Signage, displays and other promotion and promotional activities in connection with the sale, rental or Operation of a Unit or a business conducted in a Unit.

"Property": The Land, the Building and all other improvements on or under the Land and all other property (real, personal or mixed) used or intended for use in connection with the Land or Building and submitted by Sponsor to the Condominium regime to be established pursuant to the Declaration.

"Pro Rata": In the proportion that the Common Interest or floor area or offering price or Common Charge of a Unit bears to the total Common Interests or the total floor areas or total offering prices or total Common Charges of all specified Units (respectively), or that the Common Interest or floor area or offering price or Common Charge of a Residential or Storage Unit bears to the total Common Interests or total offering prices or total Common Charges of all Residential and Storage Units (respectively), or otherwise, as the context indicates. For example, the Residential Common Expenses are charged to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests. This means that each Residential and Storage Unit Owner shall pay that portion of the Residential Common Expenses as the Common Interest appurtenant to such Owner's Unit bears to the total Common Interests appurtenant to all Residential and Storage Units.

"Purchase and Sale Agreement": The agreement between Sponsor and a Purchaser for the purchase and sale of a Residential Unit of both a Residential Unit and a Storage Unit in the form set forth as DOCUMENT 1 in Part II of this Plan.

"Purchase Price": The purchase price of a Residential Unit or Storage Unit under a Purchase and Sale Agreement.

"Purchaser": A Person or Persons buying a Residential Unit or both a Residential Unit and a Storage Unit under a fully executed Purchase and Sale Agreement, whether for personal occupancy or use of the Purchaser or a member of Purchaser's family or for rental or other investment purposes.

"Reasonable Approval", "Reasonably Approved" or similar words: The approval required to be obtained shall not be unreasonably conditioned, withheld, denied or delayed.

"Register's Office": The office of the Register of the County of New York, in the City and State of New York.

"Related Party": An individual who has or had an employment, business or family relationship to a Unit Owner or an Entity comprising a Unit Owner or a partner, member, manager, shareholder, officer, director or principal of a Unit Owner or an Entity comprising a Unit Owner; or an Entity whose legal, equity or beneficial interest is owned (directly or indirectly) by a Unit Owner or an Entity comprising a Unit Owner or a partner, member, manager, shareholder, officer, director or principal of a Unit Owner or an Entity comprising a Unit Owner.

"Repair", "Repaired", "Repairs" or derivations thereof: To repair, fix, correct, rebuild, restore, replace, substitute, remove and to perform any other Work, apart from Maintenance or Alterations, in or to a Unit or the Common Elements.

"Residential Board Members": The members of the Condominium Board who represent the interests of all Sold and Unsold Residential and Storage Unit Owners on the Condominium Board, consisting of the Independent Board Members and (for so long as there is one (1) Unsold Residential Unit) one (1) or more Sponsor Board Members, as provided in this Plan and the Condominium Documents.

"Residential Common Charges": As defined in Section B, subsection B-5.3 above.

"Residential Common Expenses": As defined in Section B, subsection B-5.3 above.

"Residential Equipment": The Equipment and Installations comprising the Residential Limited Common Elements at any time.

"Residential Limited Common Elements": As defined in Section B, subsection B-5.2 above.

"Residential Space": All of the Residential and Storage Units and the Residential Limited Common Elements.

"Residential Unit": One of the residential apartments in the Building being offered for sale under this Plan (such term includes a Sold Residential Unit and an Unsold Residential Unit, unless the context expressly provides otherwise) and constituting one of the Condominium Units to be established under, and to be so designated as such in EXHIBIT B to, the Declaration, together with the Common Interest appurtenant to each such Unit. Each Residential Unit includes the Terrace or Planting Terrace (if any) appurtenant to the Unit together with all Equipment, Installations and Systems, or portions thereof, wherever located, that are for the exclusive use, service or benefit of such Unit or its Owner and are not expressly stated in the Declaration to be part of the Common Elements or another Unit.

"Residential Unit Owner": The Owner of a Residential Unit.

"Right of First Refusal": As defined in Section B, subsection B-5.5.2 above. Same as Match Offer Right.

"Roof": A "Roof" consists of the following (if and to the extent existing): the structural concrete slab, steel deck or other construction material; the asphalt or other roofing material thereover; the insulation; the membrane; the flashing; and similar elements protecting the interior portions of the Building. The term "Roof" does not include the pavers, tiles or other protective flooring or covering on a Roof, which constitutes the Terrace or Planting Terrace appurtenant to, and part of, a specified Residential Unit. A reference to a "Roof" shall be deemed to include all Roof Structures appurtenant to such Roof, unless otherwise expressly provided. The main roof above the top floor of the Building, each roof at a set-back portion of the Building, each roof above a Unit or a portion of a Unit, and the roof above a bulkhead are each a "Roof".

"Roof Structures": The drainage System of a Roof (including drains, gutters, leaders and similar elements), the parapets, copings, railings, walls and other structures enclosing a Roof, and the bulkheads enclosing the public stairs, an elevator machine room and a mechanical room.

"Section 339-m": Section 339-m of the Condominium Act.

"Selling Agent": Insignia Douglas Elliman LLC, having an office at 575 Madison Avenue, New York, New York 10022.

"Servicing": To Maintain, Repair, Alter and otherwise Operate.

"Sidewalk Cleaning Obligations": As defined in Section B, subsection B-5.9 above.

"Sidewalk Repair Obligations": As defined in Section B, subsection B-5.9 above.

"Sign", "Signs" or **"Signage"** or similar words: Each or every kind whatsoever of: sign, inscription or lettering (on doors, windows or elsewhere), picture, banner, flag, awning, canopy, planter, landscaping, structure, placard, board, stanchion, decoration and display used for sales, rental, Promotional, advertising, identity, business, Operations and/or any other lawful purpose. There is no restriction or limitation whatsoever on the nature, composition, material, design, size, illumination, configuration, fabrication, quality, character, color, appearance or content of Signs, unless otherwise expressly provided.

"Sold Residential Unit", "Sold Storage Unit" or **"Sold Unit"**: A Residential or Storage Unit that is sold and conveyed to a bona fide Purchaser under this Plan (including a bona fide Purchaser who is buying for personal use or occupancy by the Purchaser or Purchaser's family or for rental and investment). Generally, a Sold Unit is any Residential or Storage Unit that is not an Unsold Residential or Storage Unit.

"Sold Residential Unit Owner", "Sold Storage Unit Owner" or **"Sold Unit Owner"**: The Owner of a Sold Residential Unit or Sold Storage Unit or Sold Unit.

"Specially Allocated and Apportioned Expenses": As defined in Section B, subsection B-5.3 above.

"Special Allocation and Apportionment Rule": As defined in Section B, subsection B-5.3 above.

"Special Assessment": The amount assessed by the Condominium Board to pay a portion of the Common Expenses and payable by all or certain Unit Owners (as applicable) in the time and manner determined by the Condominium Board. A Special Assessment is a Common Charge and may be payable in an amount or amounts and time period other than that applicable to the regular Common Charges, as determined by the Condominium Board. A Special Assessment shall be payable by the applicable Unit Owners required to pay the Common Expenses to which such Special Assessment is to be applied as provided in the Condominium Documents and the First Year's Budget (i.e., SCHEDULE B in Section E below).

"special work": As defined in Section A, subsection A-4 above.

"Specially Apportioned General Common Expenses": As defined in Section B, subsection B-5.3 above.

"Sponsor": 130 West 30th, LLC, the offeror of the Residential and Storage Units under this Plan. Whenever the Plan, the Purchase and Sale Agreement or the Condominium Documents provide that Sponsor shall not be liable or responsible, or that there shall be no recourse against Sponsor, such provision shall be deemed to include Sponsor's Related Parties and Sponsor's employees, agents and attorneys, whether or not so expressly stated.

"Sponsor Board Control Period": As defined in Section A, subsection A-7 above.

"Sponsor Related Party": A Person who is a Related Party to Sponsor.

"Sponsor Board Member": A Board Member appointed and designated exclusively by Sponsor (or, after Sponsor no longer owns any Unsold Residential and Storage Unit, other Unsold Residential and Storage Unit Owners, if any) to serve as a Residential Board Member and represent the interests of Sponsor and other Unsold Residential and Storage Unit Owners on the Condominium Board.

"Sponsor's Obligations": As defined in Section O, subsection 0-2 below.

"Sponsor's Rights" or **"Sponsor's/Commercial Owner's Rights"**: The special rights, powers, privileges, exemptions, easements, licenses, indemnities, remedies, protections and other benefits of Sponsor, Unsold Residential and Storage Unit Owners, and the Commercial Unit Owners set forth in this Plan (including a Plan Amendment) and the Condominium Documents and which are

applicable to the respective Units owned by them (see Section 28.1 of the Declaration for full definition).

"**Sponsor Unit**": A Unit (including a Residential Unit, a Storage Unit or a Commercial Unit) owned by Sponsor at the time in question.

"**Sponsor Veto Control Period**": The period ending on the *earlier* of: (a) the date that the Common Interests appurtenant to the Unsold Residential and Storage Units constitute less than twenty-five percent (25%) of the aggregate Common Interests appurtenant to all Residential and Storage Units; or (b) the fifth (5th) anniversary of the First Closing of a Residential Unit.

"Storage Unit": One of the storage spaces in the Building being offered for sale under this Plan (such term includes a Sold Storage Unit and an Unsold Storage Unit, unless the context expressly provides otherwise) and constituting one of the Condominium Units to be established under, and to be so designated as such in EXHIBIT B to, the Declaration, together with the Common Interest appurtenant to such Unit. Each Storage Unit includes all Equipment, Installations and Systems, or portions thereof, wherever located, that are for the exclusive use, service or benefit of such Unit or its Owner and are not expressly stated in the Declaration to be part of the Common Elements or another Unit.

"Storage Unit Owner": The Owner of a Storage Unit.

"Storefronts": The storefronts of a Commercial Unit existing at any time, including the glass, frames, windows and all doors of such storefronts, any gates and other security devices and alarms protecting such windows and doors, any awnings, canopies or Signage immediately above or abutting same.

"Storefront Windows" or similar words: The windows on any Storefront of, or entrance to, a Commercial Unit.

"Structural Components": The following components of the Building: foundations, structural columns, beams, supports, girders and similar structural members; load bearing walls; Building Walls; Base Floors; Base Ceilings; and Roofs, including Roof Structures appurtenant thereto.

"Systems": All mechanical, electrical, electronic, video, audio, plumbing and other Installations relating to: heat; ventilation; air conditioning; utilities for power, lighting and cooking; security; telephone; waste; refuse; fire protection; sprinklers; standpipe; hot and cold water; elevators; intercom; cable and satellite television; Roofs, including Roof Structures; Building Walls; and all other services provided to one (1) or more Units or the Common Elements.

"Terrace": The pavers, tiles or other protective flooring or covering appurtenant to, and part of, a specified Residential Unit as identified in SCHEDULE A in Section E below and will be identified in EXHIBIT B to the Declaration and the Floor Plans. A Terrace does not include the Roof and its appurtenant Roof Structures (e.g., parapet walls or guard railings) under, in and enclosing a Terrace, such Roof and Roof Structures being part of the Residential Limited Common Elements.

"TIME IS OF THE ESSENCE", "TIME BEING OF THE ESSENCE", "TIME OF THE ESSENCE" or other words of similar import: The period stated to pay or perform an obligation or act, or to give a notice, is an absolute deadline and cannot be extended by the party required to so pay, perform or notify, regardless of the reason or excuse for not timely doing so.

"Title Closing": Same as Closing of Title.

"Unavoidable Causes": Same as Force Majeure.

"Unit": A Unit is a part of the Property intended for any type of use or uses, with an exit to a public street or to a Common Element or Common Elements leading to a public street, and is designated under the Declaration as a condominium unit owned separately and exclusively by its Owner together with the Common Interest appurtenant to the Unit. Each Owner has exclusive ownership and possession of the Owner's Unit, subject to certain use and occupancy restrictions, and certain rights and easements (including those in favor of the Condominium Board and Sponsor), as and to the extent set forth in this Plan and the Condominium Documents. A Unit is designated in this Plan, and will be designated in EXHIBIT B to the Declaration and on the Floor Plans, as a Residential Unit, a Storage Unit or a Commercial Unit.

"Unit Change": As defined in Section I, subsection I-4 below.

"Unit Layout": As defined in footnote 2 to SCHEDULE A in Section E.

"Unit Owner": The Owner of a Unit. An Owner of more than one (1) Unit shall be considered a separate Unit Owner for each such Unit for quorum and voting purposes. A Unit owned by more than one (1) Person shall be considered one (1) Unit Owner for purposes of counting the number or percentage of Unit Owners for quorum and voting purposes.

"Unsold Residential Unit", "Unsold Storage Unit" or **"Unsold Unit"** : Any Unit (Commercial, Residential or Storage) owned at the time in question by an Unsold Unit Owner (regardless of whether such Owner is Sponsor and/or other Person so designated by Sponsor as such). A Sold Unit that is reacquired by Sponsor shall be regarded as an Unsold Unit for all purposes other than for determining the expiration of the Sponsor Board Control Period or the Sponsor Veto Control Period. An Unsold Unit shall retain its status and character as an Unsold Unit until: (a) it is no longer owned by Sponsor or an Unsold Unit Owner; (b) it is occupied by its Owner or a family member of the Owner; or (c) it is conveyed to a bona fide Purchaser for personal occupancy (by the Purchaser or a family member of the Purchaser) or for rental or investment and such Purchaser is not designated by Sponsor as an Unsold Unit Owner.

"Unsold Residential Unit Owner", "Unsold Storage Unit Owner", or **"Unsold Unit Owner":** Sponsor and (if applicable) a Person designated by Sponsor in writing or a Plan Amendment as an Unsold Unit Owner having, with regard to each Unsold Unit owned by such designated Person, all or (if specified by Sponsor) certain of Sponsor's Rights under this Plan, the Plan Amendments and the Condominium Documents (i.e., all or (if specified by Sponsor) certain of the rights, powers, easements, licenses, privileges, exemptions, indemnities, remedies, protections and other benefits of Sponsor under this Plan, the Plan Amendments and the Condominium Documents with respect to each Unsold Unit owned by such designee), but subject in each case to the same limitations and restrictions as are applicable to Sponsor under this Plan, the Plan Amendments and the Condominium Documents.

"Usage": As defined in Section B, subsection B-5.3 above.

"Use and Enjoy", "Use and Enjoyment" or **"Used and Enjoyed"** or similar words: This term means all uses and enjoyment of the Property, the Common Elements and a Unit permitted by Law and not expressly prohibited, limited or restricted in this Plan, the Declaration or By-Laws, and includes existence, use, enjoyment, service, benefit, sale, rental, granting of licenses or concessions, management, control, function, business, Signage, market, advertisement, Promotion, Operation, health, safety, preservation, welfare, security, protection, appearance or other Disposition.

"Vault": A vault is the space below the sidewalk adjacent to the Property, which is owned by The City of New York and is permitted to be used by the Property under a revocable license or right. The license or right to use: (a) the Commercial Vault (or Vault #1) is part of Commercial Unit #1; and (b) the General Vault (or Vault #2) is part of the General Common Elements.

"Work" or derivations thereof: All labor performed, and all materials and supplies used, to Maintain, Repair, Alter and otherwise Operate or perform other work in or to a Unit or the Common Elements.

"Work Requirements": As defined in Section 15.2 of the Declaration.

"Working Capital Fund": The amounts to be "advanced" by Sponsor and to be paid by Purchasers of Residential and Storage Units for use as working capital of the Condominium as provided in "Section V. Working Capital Fund".

END OF SECTION B

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SECTION C. DESCRIPTION OF THE PROPERTY AND IMPROVEMENTS

The following is a general description of the Property, including the Units and Common Elements, as well as certain facilities, services and amenities to be provided at the Condominium. For a more detailed description of the Property and the Building condition, see DOCUMENT 4. "Description of Property and Specifications or Building Condition" in Part II of this Plan. This summary and said DOCUMENT 4 are based on Sponsor's Plans and Specifications for the rehabilitation and renovation of the Building (including the Units) filed with the New York City Department of Buildings, as amended from time to time pursuant to this Plan.

C-1. The Property, Services and Amenities.

C-1.1. Land. The Land contains approximately 8,154.77 square feet and is located mid-block with 82 feet 7 inches frontage on the southern side of West 30th Street, distant 363 feet 7 inches easterly from the intersection of the easterly side of Seventh Avenue with the southerly side of 30th Street.

C-1.2. Building. The Building contains a sub-cellar, cellar, a total of 20 construction levels above the cellar, a main Roof, and Roof set backs at various floors on which Terraces or Planting Terrace appurtenant to specified Residential Units will be constructed. Construction levels 1 to 19 above the cellar will be numbered as floors 1 (ground or lobby) to 12 and 14 to 20. There is no floor designated 13. The elevators will serve floors 1 to 19 (floors 19 and 20 will contain duplex Residential Units). Floor 21 houses Building mechanical equipment. There is also a mezzanine level between floors #1 and #2, and separate bulkheads (housing public stairs and elevator Equipment) on the main Roof.

C-1.3. Units. Under Sponsor's current Plans and Specifications, the Building is to be rehabilitated to contain a total of: 45 Residential Units on portions of floors 2 through 20; 16 Storage Units on portions of floors 2 through 9; and 4 Commercial Units, of which Commercial Units 1 and 2 will be located on portions of floor 1 (ground level), floor 1 mezzanine and the cellar, and Commercial Units 3 and 4 will be located on portions of the sub-cellar level. Sponsor reserves the right to change the number of Units (see Section I, subsection I-4 below). The indoor floor areas of the Units are planned to range in size from approximately: an estimated 1,394 square feet to an estimated 3,852 square feet for the Residential Units, an estimated 80 square feet to an estimated 89 square feet for the Storage Units, and an estimated 407 square feet to an estimated 8,795 square feet for the Commercial Units. The Terraces appurtenant to, and part of, specified Units will range in size from an estimated 86 square feet to an estimated 913 square feet. The Planting Terrace appurtenant to Residential Unit 12C will be an estimated 2 feet 4 inches by an estimated 82 feet 7 inches. See SCHEDULE A in Section E for details.

The floor plan of the planned configuration, layout, size and room dimensions of each Unit is contained in Part II as DOCUMENT 5 of this Plan. All square footages and dimensions shown on the floor plans and stated above are approximate and estimates based on Sponsor's Plans and Specifications, all of which are subject to change pursuant to Sponsor's right to change the configuration layout, size and room dimensions of Units (see said subsection I-4 below). In accordance with the customary practice in New York City, the estimated square footages and dimensions of the Units are measured from points behind the walls enclosing the Units and, thus, will exceed their useable floor areas. If the actual overall size of a Unit is not more than five percent (5%) smaller than its floor plan in DOCUMENT 5, then the inaccuracy shall be considered to be minor and, regardless of any inaccuracies in individual room sizes (whether greater or smaller), a Purchaser of such Unit will not be excused from paying the full Purchase Price, without abatement, set-off or credit, and without recourse of any kind against Sponsor. If such is not the

case and the actual overall size of a Unit is more than five percent (5%) smaller than its floor plan in DOCUMENT 5, the Plan will be amended to offer such Purchaser the right for only fifteen (15) days after presentation of the Amendment to rescind the Purchase and Sale Agreement, which shall be the limit of Purchaser's remedy and Purchaser's sole recourse against Sponsor. If Purchaser elects to rescind, Purchaser's Deposit and any earned interest will be returned to Purchaser, together with any Net Refundable Special Work Payment (if and to the extent applicable) (see Section, subsection A-5 above).

C-1.4. Lot Line Windows. All windows facing east or west are lot line windows under the Zoning Laws (see the Unit floor plans in DOCUMENT 5 of Part II for the identity of the Residential Units and rooms having lot line windows). If a building on another parcel is built or altered to be within a certain distance of a lot line window, the affected window must be walled-up or reduced in size (as applicable) by the Condominium Board as a Residential Common Expense (see Section A, subsection A-28 for discussion).

C-1.5. Appliances and Finishes. All Residential Units are planned to be outfitted as follows, subject to the right of Sponsor to substitute equipment or materials of no lesser quality or design: kitchen: General Electric gas range/oven, General Electric monogram series (36 inch) refrigerator, General Electric dishwasher, General Electric microwave oven, cabinets composed of wood veneer doors set on fireboard with melamine veneer interiors and enclosures, stone counters and polyurethaned oak strip wood floors; master bathroom: stall shower and double sink (certain Units will also contain a bathtub); all other bathrooms: bathtub and sink; all bathrooms: ceramic tile floors, and ceramic tile walls surrounding bathtubs (6 feet high) and showers (full height); and living room and bedrooms: tongue and groove, red oak strip polyurethaned floors set on plywood backing. *Special features include walk-in closet in most master bedrooms, separate stall shower and two sinks in the master bathroom, clothes washer/dryer, microwave oven and fireplaces (the latter for Residential Units 19A and 19B only).* Walls of Residential Units will be light colored latex painted gypsum board, except portions of bathrooms will have ceramic partially tiled walls around bathtubs and fully tiled in showers. Each Residential Unit will have its own heat pump console units (McQuay or equal) for heating and air conditioning in all major rooms and areas other than kitchens, bathrooms and closets.

Furnishing, furniture, appliances, finishes and coverings (on walls, floors and ceilings) window treatments and all other Decorations in or about any sales model or office that are not expressly set forth in this Plan are for display purposes only and not included in the sale. Purchaser, at his or her sole Cost and Expense, will be responsible to repaint and repair any damage to the Unit or its contents that might be caused when Purchaser moves in.

The Commercial Units will have their own Equipment for heating, air conditioning and hot water, if desired.

See DOCUMENT 4 "Description of Property and Specifications or Building Condition" for additional details and appliance makers. Sponsor reserves the right to substitute materials and appliances of equal or better quality than those set forth in DOCUMENT 4.

C-1.6. Standard Building Services and Amenities. Generally, the services normally associated with the Operation and Maintenance of comparably sized and equipped first class residential condominiums located in the vicinity of the Building will be provided to the Owners, tenants and occupants of Residential Units. All Costs and Expenses of these services and amenities will be part of the Residential Common Expenses, which shall be allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in order that the Common Charges of the Residential and Storage Units reflect

the amount of the Common Expenses fairly and properly attributable to such Units. These services and amenities include the following:

Lobby Attendant: The Building will have a lobby attendant eight (8) hours a day, five (5) days a week, who will announce visitors, receive packages and deliveries, and provide other customary services. The hours of the lobby attendant will be set by the Condominium Board

Elevator Service: The Residential Units and Storage Units will be serviced by two (2) automatic, self-service elevators, which will operate from floors 1 to 19. A key panel in each elevator and in the lobby will control access to each floor. Unit Owners sharing the same floor will be responsible to cooperate and assure that the key access in the elevators is activated while the lobby is not attended.

Building Intercom: Each Residential Unit will be equipped with a push button voice and video intercom system used in conjunction with an electric strike door release at the ground floor lobby entry vestibule. When the lobby is not attended, visitors will push the intercom button at the ground floor entry and identify themselves. The occupant of a Unit may talk to and view the visitor on the Unit's voice/video intercom, and activate the door release.

Security Procedures: The Building security will consist of a lobby attendant eight (8) hours a day, five (5) days a week, and a voice/video intercom system. Each Residential Unit will be able to view the entry vestibule via a camera as part of the Unit's intercom system. The camera will be designed to cover the immediate area within view of the camera, but will not cover all areas involved. No representation, assurance or guaranty is made or given that the security system and procedures of the Building or its staff will prevent personal injury or damage to, or loss of, personal property.

Mail: The lobby will have a separate mail box for each Residential Unit. Incoming mail will be inserted in the mail boxes by the U.S. Postal Service.

Superintendent and Other Building Staff: In addition to the lobby attendant, the Building staff will include a visiting superintendent and two (2) cleaning service personnel. The superintendent will be available at the Building five (5) days a week for approximately 8 hours a day, during flexible hours to be arranged by the Board with the superintendent. The two (2) cleaning service personnel will be available four (4) hours a day, six (6) days a week. Their duties will include the proper Maintenance and cleaning of the Common Elements (including the 130 West 30th Street Public Areas; the public stairs; the common areas and rooms in the cellar and subcellar; and the service lobby and the exterior service vestibule), the removal of trash from the Residential Units for compacting and pickup by the New York City Department of Sanitation, and sidewalk upkeep (including snow removal).

Utilities: Each Residential Unit will contain connections for all utilities, including electricity, gas, domestic hot and cold water, telephone and cable service. Residential Units will feature separate heat pump units for cooling and heating all major rooms and areas within each Residential Unit, other than kitchens, bathrooms and closets. Electricity and gas for the Building will be provided by Consolidated Edison Company of New York, Inc. (or any utility that subsequently supplies electricity and gas to the Building). Each Unit will be separately metered and billed for electricity by the utility provider. Gas service (for cooking, clothes dryers and fireplaces) will be commonly metered and included in the Residential Common Expenses. Telephone service will be provided by Verizon Communications or another telephone service provider. Cable service will be provided by Time Warner Cable or another cable service provider. Telephone and cable television jacks will be provided in the living room. Charges for telephone and cable services will be paid for directly by

the individual Unit Owner. Water and sewer services will be provided by The City of New York and the charges for such services will be included the Residential Common Expenses.

Refuse Disposal. Refuse will be compacted in the Building's compactor and taken to curbside for collection by The City of New York Sanitation Department.

Laundry: Each Residential Unit will have its own separate washing machine and gas dryer.

Other Service Contracts: Certain additional services, covered by third-party contracts, are included in Building Standard Services and Amenities, such as elevator maintenance.

Smoke Detectors: Smoke detectors shall be provided in each Residential Unit in compliance with applicable Law.

C-1.7. General Provisions Concerning Services and Amenities. In all likelihood, the nature of the services and amenities listed above, the hours during which they are provided, any increase or decrease or elimination of any such services or amenities, and the rates charged for same by third-party providers will change from time to time, in the discretion of the Board or the party providing the service. Sponsor does not represent, assure or guarantee that the Board will maintain the services and amenities set forth above. However, all services and amenities required by Law will be provided at all required times and any changes in the standard Building services and amenities cannot be made during the Sponsor Veto Control Period without obtaining Sponsor's prior written Discretionary Approval or Consent therefor.

C-1.8. Governing Condominium Documents; Changes and Interruptions in Building Services. The foregoing Building services and amenities will be governed by, and subject to, the Declaration, the By-Laws and the Rules and Regulations (the latter may be amended from time to time by the Condominium Board). The Sponsor and Managing Agent will not be responsible for: (a) the quality or level of Building services or amenities (which will be within the discretion of the Condominium Board, but subject to certain rights, benefits and veto powers reserved to Sponsor); or (b) a change, reduction or discontinuance of Building services or amenities (which also will be within the discretion of the Condominium Board, but subject to certain rights, benefits and veto powers reserved to Sponsor). However, while the Sponsor Board Members are a majority of the Board Members and at least one Residential Unit is occupied, the Building services and amenities set forth in this Plan will not be reduced or eliminated without the consent of a majority of the Independent Board Members. It is noted that from and after the First Closing, all Building services set forth above will be provided, but the cleaning services may be provided by only one (1) staff member until occupancy of the Units is sufficient to require two (2) cleaning personnel or whenever at least fifty percent (50%) of the Residential Units are occupied, whichever occurs first.

Sponsor will have the right, Freely and Without Consent, Payment or Restriction (other than the requirement to comply with the applicable Work Requirements set forth in Article 15, Section 15.2 of the Declaration), and without liability to Owners, tenants or occupants of Units or to the Board for any Claims or Liabilities and Expenses, to temporarily interrupt Building services and amenities in order to complete rehabilitation, renovation and outfitting of the Building (including the Units and Common Elements) in accordance with Sponsor's Plans and Specifications or to perform construction obligations under this Plan, a Plan Amendment or a Purchase and Sale Agreement (whether performed before or after the Closing of Title thereunder).

The Condominium Board (including its members and officers in their capacity as such), the Managing Agent and Sponsor will not be liable to Owners, tenants or occupants of Units or their invitees for any Claims or Costs and Expenses based on an interruption, reduction, change or discontinuance of a Building service or amenity due to Unavoidable Causes (e.g., fire, explosion,

shortage or late delivery of material, labor disruptions, inclement weather, power interruption, failure of electrical or mechanical Equipment) or the acts or omissions of third parties engaged to provide Building services. The foregoing shall not excuse Sponsor from Sponsor's obligations under this Plan (including those set forth in Section O, subsection "O-2 Obligations of Sponsor"), nor excuse Sponsor or the Managing Agent from its own negligence.

All decisions concerning the Building services and amenities summarized in subsection C-1.6 above and any changes thereto will be made by the Residential Board Members, who will be elected exclusively by the Sold and Unsold Residential and Storage Unit Owners. Such decisions will be made by the Sponsor Board Members while such Board Members have voting control of the Residential Board Members during only the Sponsor Board Control Period. The Plan will be amended to disclose an adverse change in a material Building service or amenity.

C-2. Applicable Laws. The rehabilitation and renovation of the Building, including the individual Units, will be completed substantially in accordance with Sponsor's construction Plans and Specifications (as same may be amended from time to time pursuant to this Plan), the Zoning Resolution, the Building Code of the City of New York, the Landmark Law and all other applicable governmental requirements.

C-3. Construction Schedule. Based on the current schedule, the rehabilitation and renovation of the Building is projected to be sufficiently completed to permit the issuance of a temporary amended or new Certificate of Occupancy of the Building authorizing the residential use of at least one (1) Residential Unit in or about the month of July 2003. Such date is only a target and is not guaranteed. The timetable for completion of all Residential and Storage Units on floors 2, 3, 4, 8, 10, 11, 14 and 19 (which are currently vacant) and the 130 West 30th Street Public Areas (other than cosmetic or minor Work, including, punch list Work listed on a Purchaser's Final Inspection Statement, attached as EXHIBIT C to the Purchase and Sale Agreement) is currently scheduled to occur within different times over a period that may begin before, and extend up to approximately twelve (12) months from such date (i.e., July 2004), unless delayed by any special work ordered by a Purchaser or other events or circumstances beyond Sponsor's reasonable control. The other floors are subject to commercial leases whose terms will expire over the following periods unless sooner terminated pursuant to the terms of a lease:

Floor	Lease Expiration Date
5	month-to-month; 12/03; 10/04*
6	month-to-month; month-to-month;*
7	2/03; 2/05*
9	6/03
12	4/04
15	7/05
16	7/05
17	month-to-month; 4/04
18	12/03; 5/05

* Reflects lease expiration dates of each tenant on the floor indicated.

The projected period to complete the Residential Units on these floors is estimated at approximately six (6) months from the date the floors are vacated, unless delayed by Unavoidable Causes or any special work ordered by Sponsor. While these are good faith estimates of the target dates for completion or substantial completion, Sponsor does not assure, represent or guarantee that these goals will be achieved.

END OF SECTION C

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SECTION D. LOCATION AND AREA INFORMATION

D-1. Property Location and Surrounding Areas

D-1.1. Location. The Building is located in an area of Manhattan popularly known as Chelsea. Chelsea has become one of the most sought-after downtown residential areas in the past two years. Signs of gentrification abound. Although historically a light manufacturing district in which the fur industry was very heavily concentrated until the decline of that industry in the 1950's, today, the uses in the neighborhood are highly varied, including a large number of buildings which have been converted to residential use either as cooperatives, condominiums or rentals. The surrounding areas comprise an eclectic mix of uses, including garment industry related uses, some vestiges of the fur industry, the plant district and a fairly large number of professional offices. Several new residential buildings have been constructed in the area on Sixth and Seventh Avenues in the past two years, bringing more families and young professionals to the area.

Chelsea is centrally located and convenient to all Manhattan neighborhoods. The Flatiron District and Madison Square Park are just a few blocks to the southeast. Greenwich Village is a ten-minute walk, with SoHo and TriBeCa just beyond. Midtown is just a few blocks north.

The street address for the Building and the Residential Units is 130 West 30th Street, New York, NY 10001. The legal designation of the Property is Block 805, Lot 81 on the New York City land tax map of the Real Property Assessment Department of the City, County and State of New York.

D-1.2. Surrounding Areas.

Transportation: The Condominium is served by a variety of transportation facilities. Taxi and limousine service is available throughout the city. Railroad service is provided by Long Island Railroad and Metro North. Passenger railroad service is provided from Grand Central Station on 42nd Street and Pennsylvania Station on 34th Street. Municipal bus service for the Condominium is available on Sixth Avenue and 34th Street. Entrances to subway service in the vicinity of the Condominium are located on Seventh Avenue for the 1,2,3 and 9 lines, on Eighth Avenue for the A, C and E lines as well as the R line at 28th and Broadway. By automobile, West Street connects to Interstate 95 and the Henry Hudson Parkway, both of which are major regional arteries. New York City is serviced by three major airports located within approximately fifteen miles of the Condominium. Kennedy International and LaGuardia Airports are located in New York City and Newark International Airport is located in Newark, New Jersey.

Shopping: Only a few blocks south of the Building are low density, townhouse neighborhoods where the goods and services supporting residential uses can readily be found.

Recreation and Cultural: Over 150 art galleries have moved into the Chelsea area and it is now a major art destination in Manhattan. Restaurants, clubs and other entertainment are within easy walking distance. Chelsea Piers, a major sports complex, offering golf, ice skating, basketball, soccer, horseback riding and more, is located on 23rd Street and West Street. The 26th Street Outdoor Market, a popular weekend spot for antiques and collectibles is just four blocks south. Madison Square Garden, home to the New York Knicks and Rangers, and offering all types of family entertainment, is on 34th Street at Seventh Avenue. Whole Foods, a destination food market, is located five blocks south of the Building on Seventh Avenue.

The Hudson River Esplanade, a two and half acre park spanning from the George Washington Bridge to the tip of Lower Manhattan is easily accessible at West Street, four blocks to the west.

Medical: The Condominium is also within easy access to medical facilities in the New York area, including St. Vincent's Hospital and the New York University Medical Center.

Religious: Institutions serving all religious denominations are easily accessible (e.g., St. Francis of Assisi church on West 31st between Sixth and Seventh Avenues, Norman Vincent Peale church on West 29th between Sixth and Seventh Avenues and Congregation Emunath Israel on West 23rd at Seventh Avenue).

Educational: The Property is located in public school district #2 and is served by elementary school P.S. 11 located at 320 West 21st Street, intermediate school I.S. 70 at 333 West 17th Street, and high school at The High School for the Humanities at 351 West 18th Street and Fashion Industries High School at 225 West 24th Street. Sponsor and Selling Agent do not represent, assure or guarantee which schools children residing in the Building will attend.

Private schools in the area include Corlears School at 324 West 15th Street, City and Country School at 146 West 13th Street and Village Community School at 272 West 10th Street. Other private schools in the greater New York City area for the grade and high school levels include Trinity, Collegiate, Ethical Culture, Columbia Grammar, Dalton, St. Bernard's, Spence Girls' School, and the Stevenson School. The Fashion Institute of Technology is located in Chelsea on Seventh Avenue at 27th Street. New York University is located in Greenwich Village and features the New York University Law School.

D-1.3. Municipal Services. The City of New York provides police, fire, water, sanitation (for Residential Units only), street snow removal and maintenance. The Property is served by the 13th police precinct, which has its headquarters at 230 East 21st Street. Fire protection at 142 West 31st Street is provided by Engine Co. 1 and Ladder Company 24.

D-2. Zoning. The Property is zoned M1-6, which permits retail uses on the ground floor and light manufacturing on the other floors as of right. Sponsor has been granted a special permit pursuant to Zoning Resolution 74-711 to permit residential use and uses accessory to residential use (i.e., storage) on floors 2 through 20. Pursuant to Sponsor's application for such application, the Building has been designated an individual landmark under, and governed by, the Landmark Law (see Section A, subsection A-25 for discussion). The Building cannot be expanded as it currently exceeds the maximum floor area permitted under the applicable existing zoning Law and utilizes all available development rights.

END OF SECTION D

SECTION E.
OFFERING PRICES AND RELATED INFORMATION
(SCHEDULE A)

130 WEST 30TH STREET CONDOMINIUM

The projections in this SCHEDULE A assume that the first year of Condominium Operation will be from July 1, 2003 to June 30, 2004

Unit (1)	Number of Bedrooms/ Bathrooms (1)	Approximate Square Footage (2)		Offering Price (3)	Percentage of Common Interest (4)	Projected First Year's Common Charges (5)		Projected First Year's Real Estate Taxes (6)		Projected First Year's Total Charges (7)	
Residential Units:		Unit*	Terrace			Annual	Monthly	Annual	Monthly	Annual	Monthly
Unit 2A	1B/2	1661	0	$860,000	1.647 %	$8,397.14	$699.76	$10,147.19	$845.60	$18,544.33	$1,545.36
Unit 2B	1B/3	2150	0	1,100,000	2.131 %	10,864.79	905.40	12,978.97	1,081.58	23,843.76	1,986.98
Unit 2C	3B/3	2064	170	975,000	2.051 %	10,456.91	871.41	11,504.09	958.67	21,961.00	1,830.08
Unit 3A	1B/2	1661	0	875,000	1.647 %	8,397.14	699.76	10,324.18	860.35	18,721.32	1,560.11
Unit 3B	1B/3	2150	0	1,125,000	2.131 %	10,864.79	905.40	13,273.95	1,106.16	24,138.73	2,011.56
Unit 3C	3B/3	2064	0	995,000	2.046 %	10,431.42	869.29	11,740.07	978.34	22,171.49	1,847.62
Unit 4A	1B/2	1661	0	890,000	1.647 %	8,397.14	699.76	10,501.17	875.10	18,898.31	1,574.86
Unit 4B	1B/3	2150	0	1,150,000	2.131 %	10,864.79	905.40	13,568.92	1,130.74	24,433.71	2,036.14
Unit 4C	3B/3	2064	0	1,015,000	2.046 %	10,431.42	869.29	11,976.05	998.00	22,407.47	1,867.29
Unit 5A	1B/2	1661	0	905,000	1.647 %	8,397.14	699.76	10,678.15	889.85	19,075.29	1,589.61
Unit 5B	1B/3	2150	0	1,175,000	2.131 %	10,864.79	905.40	13,863.90	1,155.32	24,728.69	2,060.72
Unit 5C	3B/3	2064	0	1,035,000	2.046 %	10,431.42	869.29	12,212.03	1,017.67	22,643.45	1,886.95
Unit 6A	1B/2	1661	0	915,000	1.647 %	8,397.14	699.76	10,796.14	899.68	19,193.28	1,599.44
Unit 6B	1B/3	2150	0	1,200,000	2.131 %	10,864.79	905.40	14,158.88	1,179.91	25,023.66	2,085.31
Unit 6C	3B/3	2064	0	1,055,000	2.046 %	10,431.42	869.29	12,448.01	1,037.33	22,879.43	1,906.62
Unit 7A	1B/2	1661	0	940,000	1.647 %	8,397.14	699.76	11,091.12	924.26	19,488.26	1,624.02
Unit 7B	1B/3	2150	0	1,225,000	2.131 %	10,864.79	905.40	14,453.85	1,204.49	25,318.64	2,109.89
Unit 7C	3B/3	2064	0	1,080,000	2.046 %	10,431.42	869.29	12,742.99	1,061.92	23,174.41	1,931.20
Unit 8A	1B/2	1661	0	965,000	1.647 %	8,397.14	699.76	11,386.10	948.84	19,783.24	1,648.60
Unit 8B	1B/3	2150	0	1,250,000	2.131 %	10,864.79	905.40	14,748.83	1,229.07	25,613.62	2,134.47
Unit 8C	3B/3	2064	0	1,105,000	2.046 %	10,431.42	869.29	13,037.96	1,086.50	23,469.38	1,955.78
Unit 9A	1B/2	1661	0	990,000	1.647 %	8,397.14	699.76	11,681.07	973.42	20,078.21	1,673.18
Unit 9B	1B/3	2150	0	1,275,000	2.131 %	10,864.79	905.40	15,043.81	1,253.65	25,908.59	2,159.05
Unit 9C	3B/3	2064	0	1,130,000	2.046 %	10,431.42	869.29	13,332.94	1,111.08	23,764.36	1,980.36
Unit 10A	1B/2	1479	186	925,000	1.472 %	7,504.91	625.41	10,914.13	909.51	18,419.05	1,534.92
Unit 10B	1B/3	2129	186	1,400,000	2.116 %	10,788.31	899.03	16,518.69	1,376.56	27,307.00	2,275.58
Unit 10C	3B/3	2055	0	1,180,000	2.037 %	10,385.53	865.46	13,922.89	1,160.24	24,308.43	2,025.70
Unit 11A	1B/2	1394	86	875,000	1.384 %	7,056.25	588.02	10,324.18	860.35	17,380.43	1,448.37
Unit 11B	1B/3	2052	86	1,300,000	2.037 %	10,385.53	865.46	15,338.78	1,278.23	25,724.32	2,143.69
Unit 11C	3B/3	2055	0	1,230,000	2.037 %	10,385.53	865.46	14,512.85	1,209.40	24,898.38	2,074.87
Unit 12A	1B/2	1394	0	850,000	1.382 %	7,046.05	587.17	10,029.20	835.77	17,075.26	1,422.94
Unit 12B	1B/3	2027	0	1,300,000	2.009 %	10,242.78	853.56	15,338.78	1,278.23	25,581.56	2,131.80
Unit 12C	3B/3	1905	192	1,260,000	1.894 %	9,656.46	804.70	14,866.82	1,238.90	24,523.28	2,043.61
Unit 14A	1B/2	1394	0	875,000	1.382 %	7,046.05	587.17	10,324.18	860.35	17,370.23	1,447.52
Unit 14B	1B/3	2027	0	1,350,000	2.009 %	10,242.78	853.56	15,928.73	1,327.39	26,171.51	2,180.96
Unit 14C	3B/3	1905	0	1,280,000	1.888 %	9,625.87	802.16	15,102.80	1,258.57	24,728.67	2,060.72
Unit 15A	3B/3.5	2489	599	1,650,000	2.485 %	12,669.64	1,055.80	19,468.45	1,622.37	32,138.09	2,678.17
Unit 15B	3B/3	1987	482	1,450,000	1.984 %	10,115.32	842.94	17,108.64	1,425.72	27,223.96	2,268.66
Unit 16A	3B/3.5	2256	160	1,500,000	2.241 %	11,425.62	952.13	17,698.59	1,474.88	29,124.21	2,427.02
Unit 16B	3B/3	1987	0	1,325,000	1.970 %	10,043.94	836.99	15,633.76	1,302.81	25,677.70	2,139.81
Unit 17A	3B/3.5	2256	0	1,450,000	2.236 %	11,400.13	950.01	17,108.64	1,425.72	28,508.77	2,375.73
Unit 17B	3B/3	1987	0	1,375,000	1.970 %	10,043.94	836.99	16,223.71	1,351.98	26,267.65	2,188.97
Unit 18A	3B/3.5	3852	913	3,200,000	3.846 %	19,608.62	1,634.05	37,757.00	3,146.42	57,365.62	4,780.47
Penthouse A	3B/3.5	2988	261	2,550,000	2.970 %	15,142.38	1,261.87	30,087.61	2,507.30	45,229.99	3,769.17
Penthouse B	2B/2.5	2813	261	2,400,000	2.799 %	14,270.55	1,189.21	28,317.75	2,359.81	42,588.30	3,549.03
Total Residential Units:	45 Units	91431	3582	$55,955,000	90.745 %	$462,658.48	$38,554.87	$660,216.56	$55,018.05	$1,122,875.03	$93,572.92

* Indoor area

Revision 013103a

Footnotes start after end of SCHEDULE A.

SECTION E.
OFFERING PRICES AND RELATED INFORMATION
(SCHEDULE A)

130 WEST 30TH STREET CONDOMINIUM

The projections in this SCHEDULE A assume that the first year of Condominium Operation will be from July 1, 2003 to June 30, 2004

Unit (1)	Number of Bedrooms/ Bathrooms (1)	Approximate Square Footage (2) Unit*	Terrace	Offering Price (3)	Percentage of Common Interest (4)		Projected First Year's Common Charges (5) Annual	Monthly	Projected First Year's Real Estate Taxes (6) Annual	Monthly	Projected First Year's Total Charges (7) Annual	Monthly
Storage Units												
Storage #1		80	0	$30,000	0.079	%	$402.78	$33.56	$353.97	$29.50	$756.75	$63.06
Storage #2		89	0	33,375	0.088	%	448.66	37.39	393.79	32.82	842.46	70.20
Storage #3		80	0	30,000	0.079	%	402.78	33.56	353.97	29.50	756.75	63.06
Storage #4		89	0	33,375	0.088	%	448.66	37.39	393.79	32.82	842.46	70.20
Storage #5		80	0	30,000	0.079	%	402.78	33.56	353.97	29.50	756.75	63.06
Storage #6		89	0	33,375	0.088	%	448.66	37.39	393.79	32.82	842.46	70.20
Storage #7		80	0	30,000	0.079	%	402.78	33.56	353.97	29.50	756.75	63.06
Storage #8		89	0	33,375	0.088	%	448.66	37.39	393.79	32.82	842.46	70.20
Storage #9		80	0	30,000	0.079	%	402.78	33.56	353.97	29.50	756.75	63.06
Storage #10		89	0	33,375	0.088	%	448.66	37.39	393.79	32.82	842.46	70.20
Storage #11		80	0	30,000	0.079	%	402.78	33.56	353.97	29.50	756.75	63.06
Storage #12		89	0	33,375	0.088	%	448.66	37.39	393.79	32.82	842.46	70.20
Storage #13		80	0	30,000	0.079	%	402.78	33.56	353.97	29.50	756.75	63.06
Storage #14		89	0	33,375	0.088	%	448.66	37.39	393.79	32.82	842.46	70.20
Storage #15		80	0	30,000	0.079	%	402.78	33.56	353.97	29.50	756.75	63.06
Storage #16		89	0	33,375	0.088	%	448.66	37.39	393.79	32.82	842.46	70.20
Total Storage Units:	16 Storage	1352	0	507,000	1.336	%	6,811.52	567.63	5,982.12	498.51	12,793.65	1,066.14
Commercial Units:												
Commercial Unit 1				NOT OFFERED	3.620	%	2,809.05	234.09	52,059.76	4,338.31	54,868.81	4,572.40
First Floor		3046										
Cellar		4261										
Rear Yard		122										
Roof		122										
Mezzanine		1488										
Unit 1 Total		9039										
Commercial Unit 2				NOT OFFERED	4.278	%	3,319.65	276.64	61,522.56	5,126.88	64,842.21	5,403.52
First Floor		3432										
Cellar		3333										
Rear Yard		122										
Roof		122										
Mezzanine		1978										
Unit 2 Total		8987										
Commercial Unit 3				NOT OFFERED	0.012	%	9.31	0.78	172.57	14.38	181.89	15.16
Sub-Cellar		497										
Commercial Unit 4				NOT OFFERED	0.009	%	6.98	0.58	129.43	10.79	136.41	11.37
Sub-Cellar		407										
Total Commercial Units:	4 Units	18930			7.919	%	6,145.00	512.08	113,884.32	9,490.36	120,029.32	10,002.44
GRAND TOTALS		111713			100.000	%	$475,615.00	$39,634.58	$780,083.00	$65,006.92	$1,255,698.00	$104,641.50

* Indoor area

Footnotes start after end of SCHEDULE A.

Revision 013103a

Footnotes to SCHEDULE A

(1) The Building is planned to contain a total of 45 Residential Units, 16 Storage Units and 4 Commercial Units. All Residential and Storage Units are being offered for sale under terms set forth in this Plan. The Commercial Units are being retained by Sponsor for rental investment, but Sponsor reserves the right to amend the Plan to offer the Commercial Units for sale. Sponsor also reserves the right to change the number of Units (see Section I, subsection "I-4. Changes in Units").

(2) Floor plans of the planned configuration, layout, fenestration and approximate size of each Unit (collectively, "**Unit Layout**") are contained in DOCUMENT 5 of Part II of this Plan. The floor plans and any other drawing or diagram of the Units, and all dimensions and square footages noted thereon and the square footages set forth in this SCHEDULE A are only approximations and estimates based on the construction floor plans. In accordance with customary practice in New York City, the estimated floor area of each Residential Unit is measured from points behind the walls enclosing the Unit and, thus, will exceed the Unit's useable floor area. The actual Unit Layout of a Unit may differ from its floor plan due to: (a) changes required by the New City Department of Buildings or other Governmental Authorities having jurisdiction; (b) site or other construction conditions; or (c) normal construction allowances and variances. A minor inaccuracy in a Unit's size as shown on its floor plan in DOCUMENT 5 (or any other drawing or diagram) and this SCHEDULE A will not excuse a Purchaser from his or her obligation under the Purchase and Sale Agreement to pay the full Purchase Price and all Closing costs, without abatement, set-off or credit, and without recourse of any kind against Sponsor or the Selling Agent.

An inaccuracy shall be considered as minor if the actual overall size of a Unit is not more than five percent (5%) smaller than its estimated approximate floor area in DOCUMENT 5 and this SCHEDULE A, regardless of any inaccuracies in individual room sizes (whether greater or smaller). If the inaccuracy is greater than five percent (5%), the Plan will be amended to offer the affected Purchaser(s) the right for fifteen (15) days after presentation of the Amendment to rescind and recover Purchaser's Deposit together with any earned interest thereon and any Net Refundable Special Work Payment (if and to the extent applicable), which shall be the limit of Purchaser's remedy and Purchaser's sole recourse against Sponsor and its Selling Agent. Sponsor reserves the right to make changes in a Unit Layout (see Section I, subsection I-4 below).

(3) The offering prices and other terms of sale for Units not under contract are negotiable and may be changed by Sponsor from time to time in accordance with the provisions set forth below in Section I, subsections I-1 and I-2. As a result, a Purchaser may purchase on less favorable terms (including price) than other Purchasers for similar Units.

In addition to the Purchase Price, Purchasers will pay various Closing costs and if a Purchaser fails to Close on the date scheduled for Closing in accordance with the Purchase and Sale Agreement, such Purchaser will be required to reimburse Sponsor for certain losses and expenses (see Section N, subsection N-1.1 for full discussion).

(4) In accordance with Section 339(i)(1)(iv) of the Condominium Act, the Common Interest of each Unit in the Common Elements has been determined 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 the Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

(5) These projections are based upon the projections contained in the "Projected Budget for First Year of Condominium Operation - SCHEDULE B" (set forth in Section F below), which were made based on the assumption that the first year of Condominium Operation will be from on or about July 1, 2003 to June 30, 2004. The actual first year of Condominium Operation may be earlier or later (see Section F, subsection F-2 for discussion).

The estimated Common Charges in SCHEDULE A include the costs of heating, hot water, water and sewer, and gas (for clothes dryers, cooking and fireplaces), but do not include the following Unit ownership expenses that each Residential Unit Owner will pay separately: (a) utility company bills for electricity supplied to each Residential Unit as determined by a separate meter; (b) mortgage payments on any loan obtained to purchase the Unit; (c) costs to Maintain, Repair and keep watertight the interior of the Unit (including: appliances; individual heat pump/fan coil units for heating and air conditioning; individual plumbing and plumbing fixtures; and other fixtures and Equipment) and the pavers or tiles comprising the Terrace (if any) appurtenant to the Unit; (d) premiums for any insurance an Owner may wish (or may be required by the Unit's mortgage lender, if financed) to obtain to insure his or her furniture, belongings and other personal property against loss from fire or other casualty or to insure against claims for personal injury or property damage arising from incidents in or on the Unit, including the Terrace (these matters will not be covered under the insurance maintained by the Condominium Board); (e) charges for telephone, internet and any cable television service an Owner may install; and (f) and parking charges for any vehicle garaged near the Property. See opinion of Stanislav Slutsky P.E. Consulting Engineers, which immediately follows SCHEDULE B in Section E below, for projected costs of electricity of each Residential Unit and the assumptions on which such projections are based.

(6) After the Condominium is divided into individual tax lots and separately assessed and billed for real estate taxes by the taxing authority, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the Owner's Unit be subject to, any lien arising from the non-payment of, taxes on other Units. See "Section S. Real Estate Taxes" for discussion.

The first year of Condominium Operation is projected to begin July 1, 2003 and to end June 30, 2004, while only an interim value of the Units (pre-completion of construction) will be applicable. The Residential and Storage Units are not expected to have been sufficiently completed to reflect their full post-completion assessment until the July 1, 2004 to June 30, 2005 tax year at the earliest (assuming certain commercial tenants voluntarily vacate before their leases expire). For purposes only of presentation, the projected real estate taxes in this SCHEDULE A are based on the *higher* projected assessed valuation of the Units as completed, renovated Units. The estimated real estate taxes in this SCHEDULE A are based on the following projections of Lippman Krasnow & Kelton LLP ("**LK&K**") of the estimated *post-completion* taxable assessed valuation of the Property, estimated tax rate and estimated taxes for said 7/1/04 to 6/30/05 fiscal tax year:

Tax Year	Estimated *Post-Completion* Taxable Assessed Valuation*	Estimated Tax Rate per $100 of Assessed Valuation	Estimated Real Estate Taxes
7/1/04 to 6/30/05	$5,922,000	$13.769	$815,400

* Based on projected *post-completion* full assessed valuation of Building as rehabilitated and renovated. The amount shown represents the lower of the estimated actual assessed valuation or the estimated transitional assessed valuation.

Until the Units are separately assessed and billed for real estate taxes by the taxing authority, real estate taxes assessed to the Property shall be included in the General Common Expenses and specially allocated and assessed in accordance with the projection of LK&K of the estimated amounts to be apportioned to the Units by the taxing authority (see Section F, subsection F-3 below). LK&K projects that the taxable assessed valuation of the Property will be apportioned by the taxing authority an estimated 85.401% or $5,057,447 ($5,922,000 x 85.401%) to all Residential and Storage Units and an estimated 14.599% or $864,553 ($5,922,000 x 14.599%) to the Commercial Units.

Based on such projected apportionment and the above estimated taxable assessed valuation and estimated tax rate, LK&K projects the post-completion 2004/2005 real estate taxes for the Residential and Storage Units at an estimated $696,360 ($5,922,000 x 85.401% = $5,057,447 x $13.769/$100 a.v.) (all amounts are estimates).

The projected real estate taxes of $696,360 for all Residential and Storage Units have been apportioned among these Units in the proportion that each Unit's initial offering price bears to the initial offering prices of all Residential and Storage Units in SCHEDULE A. Notably, actual sales prices of Units will likely vary from their initial offering prices and are the truer indicator of value that may be used by the taxing authority to determine each Residential and Storage Unit's assessed valuation. All of the foregoing projections are good faith estimates, but are not guaranteed.

Sponsor, Selling Agent and LK&K do not represent, assure or guarantee the actual taxable assessed valuation, tax rate or real estate taxes for any tax year or the actual apportionment of the taxable assessed valuation by the taxing authority between the Residential and Storage Units and the Commercial Units, or the actual amount of the taxable assessed valuation allocated to each Residential and Storage Unit. See "Section S. Real Estate Taxes" for full discussion of the foregoing, the adjustment for any overpayment or underpayment of real estate taxes by a Unit Owner before the Units are separately assessed and billed by the taxing authority and other important real estate tax issues.

The projection in this SCHEDULE A of each Unit's estimated monthly real estate taxes for the projected first year of Condominium Operation is solely to illustrate the amount to be budgeted each month for a Unit that Closes Title at the beginning of the projected first year of Condominium Operation.

If at the time of Closing Title a Unit is not separately assessed and billed for real estate taxes by the taxing authority, then Purchaser and Sponsor will apportion real estate taxes in accordance with the projected real estate taxes set forth in this SCHEDULE A (see Section N, subsection "N-1.3 Closing Apportionments with Purchasers" for further discussion).

In the opinion of Mandel Resnik Kaiser Moskowitz & Greenstein P.C., Sponsor's counsel, a "qualified" Residential Unit Owner may, under the income tax laws in effect on the date of the opinion, deduct from income, for Federal, New York State and New York City income tax purposes, subject to certain limitations: (a) real estate taxes assessed against the Residential Unit and paid or incurred by him or her and (b) interest paid or incurred by Owner on any mortgage indebtedness incurred to acquire, construct or substantially improve his or her Residential Unit and which is secured by the Residential Unit. To qualify for these deductions: (a) the Owner must itemize deductions; (b) the Owner must be an individual resident of the State of New York; and (c) the Residential Unit must be a

"qualified residence" (as defined in said firm's tax opinion below). The Owner's deductions may be limited to the extent that interest paid or accrued on the aforesaid indebtedness, when added to the Owner's other indebtedness incurred with respect to each "qualified residence", exceeds certain limits set forth in Internal Revenue Code Section 163(h), and may further be limited under certain other circumstances, all as described in said law firm's tax opinion (see Section T, subsection T-6 for opinion).

Sponsor is not applying for real estate tax benefits that potentially may be available for the Residential Units under Section 11-243 (formerly Section J-51) of the Administrative Code of The City of New York. Residential Units, therefore, will not receive any potential real estate tax benefits and none should be relied upon by prospective Purchasers.

(7) The Projected First Year's Total Carrying Charges in the last two (2) columns are the sum of the projected annual and monthly Common Charges and projected annual and monthly Real Estate Taxes in the adjacent columns.

END OF SECTION E

SECTION F. BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION (SCHEDULE B)

F-1. Projected First Year. The Budget for the first year of Condominium Operation (SCHEDULE B below) is based on the 12 month period projected to begin July 1, 2003. The actual date of Condominium Operation will begin at the First Closing of a Residential Unit with a bona fide Purchaser, which may be earlier or later.

F-2. Revised Budget; Rescission. If the actual or anticipated date of commencement of Condominium Operation is to be delayed more than six (6) months from the Budget Year projected in this Plan, the Plan must be amended to include a revised Budget disclosing current projections. If such amended projections exceed the original projections by twenty-five percent (25%) or more, Sponsor must offer all Purchasers the right to rescind and a period of fifteen (15) calendar days after the date of presentation of the Amendment to exercise the right. Sponsor must return any Deposit or downpayment to Purchasers who timely rescind within such 15 day period, together with any interest earned thereon and any Net Refundable Special Work Payment (if and to the extent applicable). Such right to rescind shall be Sponsor's sole liability and Purchaser's sole recourse against Sponsor (regardless of any losses or damages Purchaser may have sustained or incurred). Sponsor may not declare a Plan effective where there are any material changes to the Budget if these changes have not been disclosed by a duly filed Amendment to the Plan.

F-3. Allocation and Apportionment of Expenses. The following First Year's Budget (SCHEDULE B) itemizes those Condominium expenses comprising the Residential Common Expenses, which are charged to only the Residential and Storage Unit Owners Pro Rata to their respective Common Interests, or the General Common Expenses, which are charged to all Unit Owners in accordance with the Special Allocation and Apportionment Rule and as provided in RPL §339-m (see Section B, subsection B-5.3 above for full discussion). As explained therein, the General Common Expenses allocated to all Unit Owners are apportioned to the Units either Pro Rata to their respective Common Interests or, as to the Specially Apportioned General Common Expenses, an amount that reflects the portion of specified Budget items fairly and properly attributable to the Residential and Storage Units or to the Commercial Units, as applicable. The Specially Apportioned General Common Expenses are as follows (see applicable Budget items for details):

Water and Sewer Charges: The General Common Expense item for water and sewer charges allocated, apportioned and assessed to each Commercial Unit shall be limited and restricted strictly to the amount fairly and properly attributable to such Commercial Unit based on the ratio that the amount of water consumed by said Commercial Unit as measured by a separate meter or submeter bears to the total amount of water consumed by the entire Building, including all Units and Common Elements (as measured by a separate meter or submeter) for the period in question. Commercial Units 3 and 4 will not consume water and therefore shall not be allocated or assessed water and sewer charges.

Insurance: If the Property's insurance premium is increased due solely to the use of a Commercial Unit for other than residential purposes, the amount of such increase in the insurance premium shall be specially allocated, apportioned and assessed exclusively to such Commercial Unit, after deducting the savings (if any) in the total insurance premium realized by Condominium being included under a master policy obtained by Sponsor, a Sponsor Related Party, a Commercial Owner or the Managing Agent (as applicable). In addition, each Commercial Unit Owner shall have the exclusive right to limit the amount of its allocable share of the Property's insurance premium to strictly reflect the amount fairly and properly attributable to it based on the following: (a) in the case of fire and casualty coverage: the premium therefor allocated to a Commercial Unit

(at the exclusive option of the Owner of such Commercial Unit) shall be in the ratio that the sum of the square footage of the Owner's Commercial Unit, plus its allocable share of the square footage of only those portions of the General Common Elements that actually service or are actually utilized by such Commercial Unit (such allocable share to be based on the respective Common Interests of the Units) bears to the total square footage of all areas (i.e., Common Elements and Units) being insured; and (b) in the case of liability coverage: the premium therefor allocated to each Commercial Unit (at the exclusive option of the Owner of such Unit) shall equal the product of its Common Interest multiplied by a fraction whose numerator is the square footage of only those General Common Elements that actually service or are actually utilized by the Owner's Commercial Unit, and whose denominator is the total square footage of all Common Elements being insured.

Management Fee: Since most of the management services will be devoted to the Residential Space and the Residential and Storage Unit Owners, the management fee shall be specially allocated to the Residential Common Expenses for the Budget Year approximately in the proportion that all other projected Residential Common Expenses bear to all other projected Common Expenses (i.e., both General and Residential Common Expenses) for such Budget Year, excluding the Budget items for audit and contingencies. The remaining balance of the management fee shall be allocated to the projected General Common Expenses for such Budget Year, which shall be allocated, apportioned and assessed to all Unit Owners Pro Rata to their respective Common Interests. Alternatively, the Management Fee shall be allocated to the Residential and Storage Units and to the Commercial Units in accordance with the methodology set forth in the First Year's Budget (i.e., SCHEDULE B in this Section E).

Legal: The legal fees and disbursements, court costs and other litigation expenses (collectively, **"Legal Expenses"**) included in the General Common Expenses shall be limited and restricted strictly to only those legal services rendered in connection with the Operation of the General Common Elements, the Association's General Properties or the affairs of the entire Property or the whole Condominium Association (e.g., collection of the General Common Charges and Claims and Lawsuits relating to the General Common Charges, the General Common Expenses, the General Common Elements or the Association's General Properties). Legal Expenses, however, incurred by the Condominium Board for legal services rendered in connection with the Operation or affairs of only the Residential Space or the Association's Residential Properties (e.g., collection of the Residential Common Charges and Claims and Lawsuits relating to only the Residential Common Charges, the Residential Common Expenses, the Residential Space, the Association's Residential Properties or Sponsor's obligations or undertakings under the Plan, a Plan Amendment or a Purchase and Sale Agreement) shall be specially allocated, apportioned and assessed to only the Residential and Storage Unit Owners Pro Rata to their respective Common Interests. After the end of each Budget Year, the Condominium Board and the Commercial Unit Owners shall reconcile any underpayment or overpayment by such Unit Owners of the legal fees and disbursements actually incurred for the Budget Year then ended and those included in the Budget for such Budget Year (see subsection H-7.3 below and Section 9.8.2 of the Declaration).

Audit: Since the services required to audit the Residential Common Expenses will be substantially greater than the audit services for the General Common Expenses, the accounting fees and disbursements incurred by the Condominium Board for preparing the Condominium Association's audited financial statements and its federal, state and city income, franchise and unincorporated business income tax returns will be specially allocated to the Residential Common Expenses approximately in the proportion that all other projected Residential Common Expenses bear to all

other projected Common Expenses (i.e., both General and Residential Common Expenses) for such Budget Year, excluding the Budget items for management fee and contingencies. The remaining balance of the audit fees and disbursements shall be allocated to the projected General Common Expenses for such Budget Year, which shall be allocated, apportioned and assessed to all Unit Owners Pro Rata to their respective Common Interests. Alternatively, the audit fee shall be allocated to the Residential and Storage Units and to the Commercial Units in accordance with the methodology set forth in the First Year's Budget (i.e., SCHEDULE B in this Section F).

Contingencies: The Budget item for contingencies is to provide a fund for unanticipated contingencies, including an allowance for a possible increase in one (1) or more budgeted expense items and to add one (1) or more new expense items. The amount provided in each Budget for contingencies shall be a percentage of the total amount of all budgeted expenses, other than contingencies, allocated to all Residential and Storage Units and to the Commercial Units. The percentage to be used in each Budget shall be determined by the Condominium Board for each Budget Year, but cannot exceed 5%, excluding funds (if any) segregated for capital or major Repairs or Alterations (see Section 9.7 of the Declaration for full discussion).

Real Estate Taxes: Until the Units are separately assessed and billed for real estate taxes, the real estate taxes assessed to the Property will be included in the General Common Expenses and specially allocated and assessed 85.401% to all Residential and Storage Units (and apportioned among them Pro Rata to their respective initial offering prices set forth in SCHEDULE A in Section E of this Plan) and 14.599% to the Commercial Units. The amounts so allocated apportioned and assessed to the respective Units shall be subject to adjustment for any overpayment or underpayment of real estate taxes as provided in "Section S. Real Estate Taxes" below (see also subsection 9.1.7 of the By-Laws).

Any dispute with respect to the Specially Apportioned General Common Expenses shall be resolved by arbitration in New York City pursuant to Article 19 of the By-Laws (see Section R, subsection R-9 below).

F-4. Budget Procedure. When adopting a Budget for each Budget Year, the Condominium Board shall determine the Budget items comprising the projected General Common Expenses, and shall allocate and apportion each Budget item of projected General Common Expense based on and in strict compliance with this Plan, including: this Section F and the following First Year's Budget (SCHEDULE B); the principles, rules, requirements and procedures set forth in Section H, subsection H-7.1 below and the Declaration (see Sections 9.2 through 9.12 of the Declaration and the Budget Guidelines in EXHIBIT F to the Declaration).

F-5. Budget Certification. In the opinion of Platinum Properties Of New York Ltd. ("**Platinum**"), having an office at 488 Madison Avenue, New York, New York 10022-5702, the estimated amount of each Budget expense item allocated to the projected General Common Expenses and the portion thereof payable by the Commercial Units appear reasonable and adequate under existing circumstances to meet the reasonably anticipated Common Expenses fairly and properly attributable to the Commercial Units (see Documents 8C and 8D in Part II of this Plan for Certifications of Platinum). The breakdown of the portion of each Budget expense item to be paid by all Residential and Storage Units and the Commercial Units is explained more fully in the footnotes of SCHEDULE B. Sponsor, Selling Agent and Platinum cannot, and do not, represent, assure or guarantee the actual amount of the Residential Common Expenses (or the resulting Residential Common Charges) or the actual amount of the General Common Expenses (or the resulting General Common Charges), which may be higher or lower than the estimates in SCHEDULE B. Furthermore, Sponsor, Selling Agent and Platinum cannot, and do not, represent, assure or guarantee the actual amounts of the General Common Expenses that are fairly and

properly attributable to the Commercial Units in the first or subsequent years of Condominium Operation, which may vary (perhaps substantially) from their estimates in this Budget.

F-6. Schedule B

SCHEDULE B

Budget of Projected Receipts and Expenses of Operation
For the 12 Months Projected to Begin July1, 2003
and to End June 30, 2004 (1)

First Year's Projected Common Receipts (2):

First Year's Common Charges:		
All Residential and Storage Units (3):		$469,470
All Commercial Units (3):		6,145
Commercial Unit 1:	$2,809	
Commercial Unit 2:	3,320	
Commercial Unit 3:	9	
Commercial Unit 4:	7	
Total Projected Common Receipts:		$475,615

First Year's Projected Common Expenses (4):

	Residential and Storage Units*	Commercial Units*	Total All Units*	Allocation to General Common Expenses*
Labor (5)	$124,805 (99%)	$325 (1%)	$125,130 (99%)	$4,090
Heating (6)	35,685 (100%)	0 (0%)	35,685 (100%)	0
Electricity and Gas (7)	116,825 (99%)	25 (1%)	116,850 (100%)	317
Water Charges and Sewer Rents (8)	16,865 (100%)	0 (0%)	16,865 (100%)	
Repairs, Maintenance & Supplies (9)	34,921 (99%)	79 (1%)	35,000 (100%)	1,000
Service Contracts (10)	18,438 (99%)	42 (1%)	18,480 (100%)	533
Insurance (11)	59,853 (92%)	5,147 (8%)	65,000 (100%)	65,000
Management Fees (12)	39,683 (99%)	317 (1%)	40,000 (100%)	4,000
Legal and Audit Fees (13)	4,964 (99%)	36 (1%)	5,000 (100%)	450
Other (14)	5,976 (99%)	24 (1%)	6,000 (100%)	300
Contingency (15)	11,454 (99%)	151 (1%)	11,605 (100%)	
Total Projected Common Expenses:	$469,470	$6,145	$475,615	$75,420

* Percentages are rounded and reflect percentages of Budget items payable by the Residential and Storage Units and all or certain Commercial Units. These percentages are not necessarily Pro Rata to their respective Common Interests, which are: 92.081% for all Residential and Storage Units and 7.919% for all Commercial Units.

Footnotes to this SCHEDULE B start on the next page.

Footnotes to SCHEDULE B - - Budget of Projected Receipts and Expenses of Operation For the 12 Months Projected to Begin July 1, 2003 and to end June 30, 2004:

1. Projected First Year of Condominium Operation

All amounts are projections for the first twelve (12) months of Condominium Operation, which is assumed (for budget purposes) will begin on July 1, 2003, the projected date of First Closing of a Residential Unit under this Plan. The actual first year of Condominium Operation may begin earlier or later (see subsection F-2 above for requirements to revise the Budget and to offer recision if the amended projections exceed the original projections by 25% or more).

2. First Year's Projected Common Receipts

No income will be provided to the Condominium Association from any contracts or leases. The Common Charges payable by Unit Owners and potential interest or investment income earned on the Working Capital Fund (if any) will be the only sources of income for the Condominium Association. For the purposes of presentation in this First Year's Budget, the Projected Common Receipts do not include any interest or investment income that may be received by the Condominium Board from investment of the Working Capital Fund, which will be established in increments at and after the First Closing of a Residential Unit. It is expected that all or part of such Working Capital Fund will be expended during the first or subsequent years of Condominium Operation and/or applied for cash flow purposes to cover (for example) unevenness in collection of Common Charges or payment of Common Expenses. Accordingly, such interest or investment income is not expected to be significant. For this reason, and for the further reason that such interest or investment income does not reflect normally anticipated income from operations, no interest or investment income (if any) from investment of said Working Capital Fund has been included in this Budget. Nevertheless, any interest or investment income earned on said Working Capital Fund (after deducting income taxes based thereon) will be available to pay the Residential Common Expenses and the portion of the General Common Expenses payable by the Residential and Storage Unit Owners. The Commercial Unit Owners will not contribute to the Working Capital Fund and will not benefit from the application of such Fund or any interest or investment income earned thereon.

3. First Year's Projected Common Charges (Budget: $475,615

First Year's Projected Common Charges:	
Residential and Storage Units:	$469,470
Commercial Units:	6,145
Total:	$475,615

The projected Common Charges payable by all Residential and Storage Units and the Commercial Units in this First Year's Budget are to be applied to pay the following Common Expenses in accordance with the Special Allocation and Apportionment Rule and Section 339-m:

(a) the Common Charges assessed to the Residential and Storage Units shall be applied to pay: (a-1) the projected Residential Common Expenses (which are specially allocated and assessed to only all Residential and Storage Units); and (a-2) their Pro Rata share of the projected General Common Expenses estimated to be fairly and properly attributable to all Residential and Storage Units; and

(b) the Common Charges assessed to the Commercial Units shall be applied to pay only their Pro Rata share of the projected General Common Expenses estimated to be fairly and properly attributable to the Commercial Units based strictly upon (and limited and restricted to the extent

only of): (b-1) those General Common Elements that actually serve or are actually utilized by the Commercial Units; (b-2) those services that are actually furnished by the Board to the Commercial Units; and (b-3) those items of projected General Common Expenses relating to the affairs of the entire Property or the Association's General Properties that are allocated to all Units, namely: insurance (including the increase in premium, if any, caused by the non-residential use of the Commercial Units, which shall be specially allocated and assessed to the applicable Commercial Units after deducting any savings in premium realized by the Condominium being included under a master insurance policy obtained by Sponsor, a Sponsor Related Party, a Commercial Unit Owner or the Managing Agent), management, legal (excluding legal services applicable only to the operation or affairs of the Residential Space or the Association's Residential Properties), audit and certain administrative and miscellaneous expenses.

The projected General Common Expenses allocated to all Unit Owners in this First Year's Budget have been apportioned and assessed among them Pro Rata to their respective Common Interests or (when appropriate) on the basis indicated to reflect the amount fairly and properly attributable to the Residential and Storage Units and/or the Commercial Units (as applicable). (See subsection F-3 above for discussion). The breakdown of the portion of each Budget expense item in this Budget to be paid by all Residential and Storage Units and the Commercial Units or (as to certain expenses) only all Residential and Storage Units is summarized in the preceding table and is explained more fully in the following footnotes

The Residential and Storage Units shall always be regarded as one (1) group of Units when allocating apportioning and assessing the General Common Expenses and Residential Common Expenses, which shall be allocated, apportioned and assessed to them Pro Rata to their respective Common Interests.

Each item in this First Year's Budget allocated to the projected Residential Common Expenses and the projected General Common Expenses applies for only the first twelve (12) months of Condominium Operation and may be changed thereafter by approval of a majority of those Board Members attending a duly constituted Board meeting at which a quorum is present, subject to, and strictly in accordance and compliance with, the guidelines, procedures and requirements set forth in: Section B, subsection B-5.3 above; this First Year's Budget; Section H, subsection H-7.1 below; and the Declaration (see Sections 9.2 through 9.12 of the Declaration and the Budget Guidelines in EXHIBIT F to the Declaration). Any dispute or failure to agree as to a proposed Budget item or the adoption of a proposed Budget shall be resolved by arbitration in New York City pursuant to Article 19 of the By-Laws (see Section R, subsection "R-9. Arbitration" for discussion).

As a result, the allocation of projected expenses in this First Year's Budget to the projected Residential Common Expenses and/or the projected General Common Expenses (as applicable), and the amounts so allocated to the projected General Common Expenses that are allocated, apportioned and assessed to all Residential and Storage Units and the Commercial Units based on the amount reasonably anticipated to be fairly and properly attributable to the Residential and Storage Units and to the Commercial Units, may vary (perhaps substantially) in subsequent years of Condominium Operation.

BUDGET FORECASTS ARE INHERENTLY UNCERTAIN AS OPERATING EXPENSES WILL BE AFFECTED BY MANY AND VARIABLE FACTORS AS WELL AS UNFORESEEABLE EVENTS. THE PROJECTED EXPENSES IN THIS BUDGET ARE GOOD FAITH ESTIMATES, BUT CANNOT BE, AND ARE NOT, ASSURED OR GUARANTEED. IN ALL LIKELIHOOD, THE ACTUAL EXPENSES WILL VARY FROM THEIR ESTIMATES.

IF THE TOTAL ACTUAL EXPENSES ARE HIGHER THAN PROJECTED, THEN THE COMMON CHARGES WILL INCREASE TO PAY THE DEFICIT. COMMON CHARGES OF UNIT OWNERS ARE THE SOLE SOURCE OF RECEIPTS AVAILABLE TO PAY THE PROJECTED EXPENSES IN THIS FIRST YEAR'S BUDGET.

4. First Year's Projected Common Expenses (Budget: $475,615)

All projected Common Expenses are projections for the first twelve (12) months of Condominium Operation, which is assumed (for budget purposes) will begin July 1, 2003, the projected date of First Closing of a Residential Unit under the Plan. The actual first year of Condominium Operation may begin earlier or later. All amounts in this Budget are estimates and approximations. While they are believed to be reasonable, they are not assured or guaranteed.

The Building is being rehabilitated and renovated from wholly commercial occupancy to primarily residential occupancy and therefore no historical operating expenses of the Building are available for comparison purposes. The projected Common Expenses in this Budget are based mostly on: (a) the estimates certified by Platinum of the reasonably anticipated costs of operations for the first Budget Year under existing circumstances; and (b) the assumption that present trends and conditions, to the extent applicable, will continue. Certain of the estimated expenses (where indicated below) are based on proposals that are not binding. No Budget item is guaranteed. This Budget has been prepared and certified to be adequate by Platinum (see DOCUMENTS 8C and 8D in Part II of this Plan).

Before the First Closing of a Residential Unit, Sponsor has reserved the right, from time-to-time, to enter into, modify, renew and replace service, maintenance, employment, concessionaire, utility and other agreements and insurance policies that will be binding on the Condominium Board after such First Closing. However, the Plan will be amended to disclose the terms of any service or maintenance contract not set forth in this Budget that would materially increase the first year's projected Common Charges or is for a term in excess of five (5) years, other than service or utility agreements that customarily are for longer terms (such as cable television, utility and telecommunication agreements, which typically are for initial terms of ten (10) to twenty (20) years).

5. Labor and Related Expenses (Budget - $125,130)

All Residential and Storage Units:	$124,806
Commercial Unit:	324
Total:	$125,130

The Building staff will consist of a full time non-resident superintendent for a 40-hour week, at an estimated wage of $752.40/week for 54 weeks, or an estimated $40,630 annually; and a lobby attendant for a 40-hour/week for 54 weeks for one 8-hour paid shift from 8:00 am. to 5:00 p.m., at an estimated wage of $697.80/week, or an estimated $37,681 annually. In addition to these two employees, there is anticipated to be a service contract with Ashland Maintenance, 45-15 Barnett Avenue, Long Island City, New York. Under the contract proposal from Ashland Maintenance, it will supply two (2) persons, six (6) days per week, for four (4) hours per day. Their daily duties will include the following:

(a) wash and clean lobby entrance floor, walls, and doors;
(b) wipe and remove all finger marks from front doors;
(c) wash and clean door saddles;
(d) wash and clean elevator doors, floors and walls;
(e) vacuum all common area hallways on all floors;
(f) wash and clean all floor door saddles on all floors;

(g) wash and remove fingerprints on all walls on all floors;
(h) remove all garbage where necessary and place in designated area on all floors;
(i) high dust all light fixtures and signs on all floors; and
(j) once a week check all stairwells for debris, and damp mop as necessary.

The amount of this contract based on said proposal is estimated at $2,700/month, plus sales tax of $222.75, for a monthly total estimated at $2,922.75, or an estimated $35,073 for the first year of Condominium Operation. For each succeeding year of the contract, the service charge will increase by five percent (5%) above the amount for the previous year. Under said proposal, the initial term of the contract is two (2) years, starting January 1, 2004, and will automatically renew from year to year unless cancelled by either party by giving at least sixty (60) days' prior written notice of cancellation by certified mail, return receipt requested.

The Budget amount includes a fifteen percent (15%) increase above the payroll costs estimated at $78,311 for both the superintendent (estimated at $40,630 a year) and the lobby attendant (estimated at $37,681 a year), or an increase of $11,747 (i.e., $78,311 x 15%), for a total payroll cost estimated at $90,058 (i.e., $78,311 plus $11,747), to which is added the Ashland Maintenance cleaning contract estimated at $35,073, for a total labor expense estimated at $125,130 ($90,058 plus $35,073), all amounts are rounded and are for only the First Budget Year.

The only labor expenses allocable to the General Common Expenses will be the cleaning and Maintenance of the General Common Elements (which consist of only certain public corridors, public stairs and mechanical and meter rooms on the subcellar and cellar levels, and the public stairs and the service lobby, exterior vestibule and entrance on floor 1) and the Immediately Adjacent Sidewalks to the Property (including snow removal). The lobby attendant will not provide any services to the Commercial Units and no portion of the payroll costs for such employee will be charged to the Commercial Units.

Accordingly, in the opinion of Platinum, the total labor expenses fairly and properly attributable to the General Common Expenses are estimated at 5% of the superintendent's payroll costs and 5% of the Ashland Maintenance cleaning contract, or a total estimated amount of $4,090, which sum is apportioned and assessed to all Unit Owners Pro Rata to their respective Common Interests, or an estimated $3,766 to the Residential and Storage Unit Owners (i.e., $4,090 x 92.081%) and an estimated $324 to the Commercial Unit Owners (i.e., $4,090 x 7.919%).

In subsequent Budget Years, the portion of the Ashland Maintenance fee allocated to the General Common Expenses will be appropriately adjusted to reflect the increase in the annual fee then payable to it and any change in hours of its personnel or the superintendent devoted to service the General Common Elements or the Immediately Adjacent Sidewalks to the Property. Any dispute with respect thereto shall be submitted to arbitration in New York City pursuant to Article 19 of the By-Laws (see Section R, subsection "R-9. Arbitration" for discussion).

CAVEAT: Since the fee to Ashland Maintenance will increase each year on a compounded basis by five percent (5%) above the prior year's fee, the Common Charges may increase accordingly on an annual basis.

6. Heating (Budget: $35,685)

All Residential and Storage Units:		$35,685
Commercial Units:		0
	Total:	$35,685

The Building uses #2 fuel for heating. The following estimates for heating are based in part on: (a) the projected consumption of #2 fuel oil for heating of the Residential Space, as per letter dated November 7, 2002, revised January 27, 2003, from Stanislav Slutsky, P.E., Consulting Engineers, 139 Fulton Street, Suite 802, New York, New York, 10038 ("**Slutsky**"); and (b) the fuel price guideline for #2 fuel oil issued by the Attorney General, dated September 12, 2000, for the 2003 calendar year.

Slutsky projects #2 fuel oil consumption for heating the Residential Space at an estimated 23,680 gallons, which is based on an estimated heating load of 1,900,000 BTU/HR (British Thermal Units per hour) and assumes the boiler will provide 75% of the space heating load, and assumes further the boiler efficiency at 75%.

The #2 fuel oil rate is estimated at $1.38 per gallon as per the Attorney General's fuel oil price guideline. The Budget amount includes a five percent (5%) inflation factor, or $0.069, for a total estimated rate of $1.449 a gallon (i.e., $1.38 plus $0.069).

The projected expense for heating is estimated at $34,312 (23,680 gallons x $1.449/gallon) plus 4% sales tax of $1,373, or a total budgeted expense of $35,685 (i.e., $34,312 plus $1,373).

No heating is provided from the Building's boiler to the General Common Elements, except for the service lobby which has one radiator (the other portions of General Common Elements receive only ambient heat for which no expense shall be allocated). The heating expense allocable to the service lobby is anticipated to be minimal. For purposes only of presentation in this Budget, no expense will be allocated to heat the service lobby. In subsequent years of Condominium Operation, the Condominium Board shall have the right to include a budget item for such heating expense based on a Usage survey of the estimated consumption of #2 fuel to provide heat to the service lobby, made by an independent engineer or other qualified expert chosen by the Board, and the then applicable projected rate of #2 fuel oil for the heating season. If the Board exercises such right, the projected cost to heat the service lobby shall be included in the General Common Expenses and charged to all Unit Owners Pro Rata to their respective Common Interests (i.e., 92.081% to all Residential and Storage Unit Owners and 7.919% to the Commercial Unit Owners).

The Building's boiler does not serve the Commercial Units, whose Owners will be responsible to install their own equipment for heating, if desired.

It is not possible to predict how accurately the budgeted amount will reflect the actual expenses for heating to be incurred during the first year of Condominium Operation, in part because such expenses will vary with the level of consumption and the cost of the fuel oil. Consumption will be affected by the severity of the weather and by conservation measures (if any) adopted by the Condominium Board.

7. Electricity and Gas (Budget: $116,850)

All Residential and Storage Units:	$116,825
Commercial Unit:	25
Total:	$116,850

Electric service to the Residential and Commercial Units will be separately metered and paid directly to the utility provider by the Owner of each such Unit. Gas service to Commercial Units 1 and 2 will also be separately metered and paid directly to the utility provider by the Owner of each such Unit. No gas service is provided to Commercial Units 3 and 4.

This Budget item is for the estimated costs of: (a) electric service to the Common Elements and the Storage Units (for lighting); and (b) gas service to the Residential Limited Common Elements (for domestic hot water) and the Residential Units (for domestic hot water, cooking, clothes dryers and fire places), which are commonly metered. No domestic hot water is provided to the General Common Elements. The following estimated costs of electric service to the Common Elements and gas service to the Residential Limited Common Elements and the Residential Units are per said letter dated November 7, 2002, revised January 21, 2003, from Slutsky.

The estimates for electricity for the Common Elements include the following loads with the estimated kilowatt hours ("**KWH**") noted:

	Estimated Consumption
Lighting, Stairs/Hallways	350,400 KWH
Lighting, Outdoor	17,520 KWH
Lighting, Mechanical Rooms	5,475 KWH
Lighting – General Common Elements	4,380 KWH
Water Booster Pumps	78,420 KWH
Sewerage Pump	1,960 KWH
Exhaust Fan Motors	52,280 KWH
Loop Circulating Pumps	233,800 KWH
Cooling Tower Circulating Pumps	55,950 KWH
Boiler Feed Pumps	13,070 KWH
Elevators	98,024 KWH
Miscellaneous Mechanical Loads	21,900 KWH
Fire Reserve Tank Heater	30,000 KWH
Cooling Tower	37,300 KWH
Cooling Tower Pan Heater	18,000 KWH
Lobby Air Conditioning	15,000 KWH
Pipe Heat tracing	8,000 KWH
Total Estimated KWHs:	**1,041,479 KWH**

Estimated Rate per KWH (Based upon Con Edison Service):	**$0.0663**
Estimated Cost (i.e., 1,041,479 KWH x $0.0663/KWH):	**$69,050**

The estimated costs of gas by type of use, Therms and annual cost per Residential Unit are as follows:

Use	Estimated Annual Consumption per Residential Unit	Estimated Rate per Therm	Estimated Annual Cost for All 45 Residential Units[1]
Cooking Gas	329 Therms	$0.78192	$11,576
Clothes Dryers	166 Therms	$0.78192	5,841
Fireplaces	14 Therms	$0.78192	22[1]
Hallway Heating Domestic Hot Water	4,000 Therms	$0.78192	3,128
Domestic Hot Water	22,233 Therms	$0.78192	17,384
Total Estimated Cost:			**$37,951**

[1] The estimated amount for the fireplaces is based on the only two (2) Residential Units that will have fireplaces.

The budgeted amount adds a five percent (5%) inflation factor to the estimated costs of electricity and gas, or an increase of $3,453 for electricity ($69,050 x 5%), or a total estimated expense of $72,505 (rounded) for electricity (i.e., $69,050 plus $3,453), and $1,898 for gas (i.e., $37,951 x 5%), or a total estimated expense of $39,324 for gas (i.e., $37,451 plus $1,873), for a grand total of $112,355 (i.e., $72,505 plus $39,850), to which is added $4,494 for 4% sales tax (i.e., $112,355 x 4%), which results in a total estimated cost for electric and gas of $116,850 (i.e., $112,355 plus $4,494).

The only amount of this Budget item includible in the General Common Expenses is the estimated cost of electricity for lighting the General Common Elements (the electric cost of ventilating the lavatories of Commercial Units 1 and 2 is inconsequential and will not be charged to such Units). Based on Slutsky's foregoing estimated consumption of 4,380 KWH for lighting the General Common Elements and the above estimated rate of $0.0663/KWH, the estimated lighting expense of the General Common Elements is $290 (i.e., 4,380 KWH x $0.0663/KWH), to which is added a 5% inflation factor (or $15, rounded), for a total estimated expense of $305 (i.e., $290 plus $15), plus $12 for 4% sales tax, resulting in a total General Common Expense estimated at $317. This estimated General Common Expense is apportioned to all Units Pro Rata to their respective Common Interests, or $292 (rounded) to all Residential and Storage Units (i.e., 317 x 92.081%) and $25 (rounded) to the Commercial Units (i.e., $317 x 7.919%).

8. Water Charges and Sewer Rents (Budget - $16,865)

All Residential and Storage Units:		$16,865
Commercial Units:		0
	Total:	$16,865

The City of New York will provide this municipal water service. The sewer service is a municipal sanitary service and the storm system drains into the municipal storm water system. There is a single meter serving the entire Building and, therefore, all municipal charges for water and sewer services will be included in one billing from the New York City Water Board. Commercial Units 1 and 2 will be submetered for water consumption and such Commercial Units will be billed by the Condominium Board as measured by said submeters. The payment by said Commercial Units for their water consumption will be considered an Exchange Account and therefore is not reflected in this Budget. No water or sewer service will be provided to Commercial Units 3 and 4. Accordingly, these Units will not be charged for any water and sewer services furnished to the Building.

Water and sewer services will be provided primarily to the Residential Limited Common Elements and the Residential Units. The costs of such services will be part of the Residential Common Expenses payable by only all Residential and Storage Unit Owners and apportioned among them Pro Rata to their respective Common Interests. The General Common Elements will use water service in connection with the Building's fire protection Systems, which employ recirculating water with negligible or inconsequential consumption. Accordingly, no costs for water or sewer services will be included in the General Common Expenses.

Water and sewer services will be provided to the Residential Space for heating, air conditioning, domestic hot and cold water, lavatories and sanitary sewerage. The daily water consumption as projected by Slutsky in his aforesaid letter is estimated to average 200 gallons a Residential Unit, or 3,285,000 gallons a year (200 gallons x 365 days x 45 Residential Units), which is equivalent to 4,392 CCF (hundred cubic feet calculated at 748 gallons per 100 cubic feet of water). The municipal rate for the current 7/1/02 to 6/30/03 fiscal year is $3.73 per 100 cubic feet, to which is added an inflation factor of 3% for the 7/1/03 to 6/30/04 fiscal year, or an increase of $0.1119, resulting in an estimated rate of $3.84 (rounded) for such year. Based on the foregoing, the amount budgeted for the first year of Condominium Operation is estimated at $16,865 (i.e., 4,392 CCF x. $3.84/CCF).

The actual cost of water and sewer services will depend, in part, on the level of water consumption and the rates and formulas for these services set by The City of New York. Consumption will largely be affected by the amount of water usage in the individual Residential Units.

The Building is being rehabilitated from commercial occupancy to primarily residential occupancy and, therefore, no historical costs are available. This Budget item is based upon projections from Slutsky, historical increases by the New York City Department of Environmental Protection, and the experience of Platinum in residential management and its opinion of the reasonably anticipated costs of water and sewer services to the Residential Units and Residential Limited Common Elements as indicated above for the projected Budget Year under existing circumstances and assuming present trends and conditions, to the extent applicable, will continue.

9. Repairs, Maintenance and Supplies (Budget - $35,000)

All Residential and Storage Units:		$34,921
Commercial Unit:		79
	Total:	$35,000

The Condominium Board is to provide for repairs, maintenance and supplies to: (a) the Residential Limited Common Elements (including the 130 West 30th Street Public Areas; the elevators and elevator landings; the public stairs, the public halls and the public corridors on the residential floors; and all Systems and Installations comprising the Residential Limited Common Elements or exclusively serving or benefiting, in common, the Residential and Storage Units); and (b) the General Common Elements (including the service entrance, the exterior vestibule and the service lobby; and the portions of the various Systems and Installations comprising the General Common Elements or serving or benefiting all Units or one or more of both the Residential and Storage Units and the Commercial Units) and the Immediately Adjacent Sidewalk to the Property. Each Unit Owner will be responsible to pay and perform or provide for any needed or desired repairs (other than structural repairs), maintenance and supplies to or for the Owner's Unit and Unit's equipment and installations (including a Residential Unit's appliances, bathroom and kitchen sinks, toilets, bathtub/shower, and related hardware), as well as Unit painting and Decorations.

This Budget item has been allocated by Platinum based upon its opinion of the reasonably anticipated amount thereof fairly and properly attributable to the Residential Limited Common Elements at a total estimated amount of $34,000. The estimated amount allocated to the Residential Limited Common Elements is a Residential Common Expense payable by only all Residential and Storage Unit Owners and apportioned among them Pro Rata to their respective Common Interests. Platinum projects an estimated total amount of $1,000 for repairs, maintenance and supplies with respect to the General Common Elements and sidewalk upkeep. This estimated amount consists primarily of cleaning supplies for the public stairs, public corridors, mechanical room #1, gas/water meter room and electrical room on the sub-cellar and cellar levels, and the service entrance, exterior vestibule and lobby on floor 1 (all of which are part of the General Common Elements). The estimated $1,000 is a General Common Expense payable by all Unit Owners and apportioned among them Pro Rata to their respective Common Interests. Accordingly, $921 (i.e., $1,000 x 92.081%, rounded) has been allocated to all Residential and Storage Units, and $79 (i.e., $1,000 x 7.919%, rounded) has been allocated to the Commercial Units.

During the first year of Condominium Operation, the purchase of small equipment will be necessary, including a vacuum cleaner, snow blower, wet-vac machine and various power tools. The cost of this equipment is to be paid from this Budget item, the Budget item for "Other Expenses" and the Working Capital Fund to the extent sufficient (see Section V. Working Capital Fund).

The Building is being rehabilitated from commercial occupancy to primarily residential occupancy. Accordingly, no historical costs available. This projection is based upon an estimate of Platinum based on its experience in residential management and on its opinion of the reasonable anticipated costs of Building repairs, maintenance and supplies for the projected Budget Year under existing circumstances and assuming present trends and conditions, to the extent applicable, will continue.

10. Service Contracts (Budget - $18,480)

All Residential and Storage Units:	$18,438
Commercial Units:	42
Total:	$18,480

Contracts for the following services have been proposed or estimated for the first year of Condominium Operation:

Name of Contractor	Nature of Service	Term of Agreement	Projected Annual Cost
Transel Elevator, Inc. 127 West 24th Street New York, New York	Elevator Maintenance	Term 5-Years upon signing Contract, unless terminated in writing by either party upon 30 days' written notice. (Proposal)	$14,289 (1)
OneSource Pest Control 360 Lexington Avenue, 15th Floor New York, New York	Exterminating	January 1, 2004 through December 31, 2005 (Proposal). Contract may be terminated by either party upon 30 days' prior written notice.	$2,013
Ashland Inc. Drew Industrial Division One Drew Plaza Boonton, New Jersey	Water Treatment	Month to Month	$1,306
To Be Determined	Sprinkler Contract	To be determined	$650
		Total:	$18,350 (rounded)

(1) The maximum annual increase shall not be more than four (4%) percent above the contracted payment for the preceding contract year. Increases annually are based upon the following formula:

(a) Labor cost shall constitute 80% of contract price.
(b) Material cost shall constitute 20% of contract price.
(c) 80% of total contract shall be increased by the actual percentage increase in the straight time direct labor cost.
(d) 20% of total contract price shall be increased by the percentage increase in material cost.

The Budget item includes a ten (10%) percent increase for the Water Treatment, or $130 (rounded), for a total estimated amount of $1,436 (i.e., $1,306 plus $130), for the first year of Condominium Operation. The total Budget amount is therefore $18,480, rounded (i.e., $18,350 plus $130).

In the opinion of Platinum 20% of the estimated costs of the Exterminating and Sprinkler Contracts, or $403, rounded ($2,013 x 20%) for the Exterminating Contract and $130 ($650 x 20%) for the Sprinkler Contract, are fairly allocable to the General Common Expenses and charged and apportioned to all Unit Owners Pro Rata to their respective Common Interests. Accordingly, an estimated $533 (i.e., $403 plus $130) is a General Common Expense and has been allocated $491 (rounded) to all Residential and Storage Units (i.e., $533 x 92.081%) and $42 to the Commercial Units (i.e., $533 x 7.919%), rounded.

Sponsor reserves the right to enter into other service contracts with unrelated third parties that will be binding on the Condominium Association; but will amend the Offering Plan to disclose these additional contracts if the cost materially increases the Common Charges or is for a period in excess of five (5) years.

The Building is being rehabilitated from a commercial building to primarily a residential building, and therefore there are no historical costs. The estimate for the Sprinkler Contract is per Platinum based on its experience in residential management and on its opinion of the reasonable anticipated cost of such contract.

11. Insurance (Budget - $65,000)

All Units:	Residential	$55,853
Commercial Units:		5,147
	Total:	$65,000

This Budget amount is based upon the following insurance coverages recommended by DeWitt Stern Group, Inc., 420 Lexington Avenue, New York, New York, 10170:

Property Insurance	Limits Provided
Package	
All Risk, Agreed Amount, Replacement Cost (No Co-insurance), $3,000 Deductible	$16,000,000
Building Ordinance	$1,000,000
Increased Cost of Construction & Demolition	(Above)
Business Income/Extra Expense	$2,000,000
Floor (Rising Water) ($25,000 Deductible)	$1,000,000
Earthquake ($50,000 Deductible)	$1,000,000
Back up of Sewers and Drains/Underground Water Supply & Mains ($3,000 Deductible)	$3,000,000

Property Insurance	Limits Provided
General Liability	
Each Occurrence	$1,000,000
General Aggregate	$2,000,000
Personal Injury/Bodily injury	$1,000,000
Employees Benefits Liability (Claims-Made)	$1,000,000
Water Damage Legal Liability	(Included)
Non-Owned/Hired Auto Liability	$1,000,000
Medical Payments	$5,000
Fidelity Bond	
Employee Dishonesty (Deductible $ 1,000)	$100,000
Managing Agents Rider	(Included)
Directors & Officers Liability	
Limit ($ 2,500 Deductible)	$1,000,000
Participation Percentage	.1%
Managing Agents Rider	(Included)
Umbrella (Risk Purchasing Group)	
Limit	$100,000,000
Excess Directors & Officers Liability	(Included to Full Limit)
Energy Systems	
Comprehensive Limit (Deductible)	Building Limit
Business Income/Extra Expense	(Included)
Business Income Deductible	24 Hours
Building Ordinance or Law	(Included)

The estimated annual premiums for this insurance is $42,000 for the Package and Energy Systems, $3,500 for the Umbrella, $2,000 for the Crime Policy, and $2,500 for the Directors & Officers Liability, for a total estimated cost of $50,000, to which was added an inflation factor of thirty (30%) percent for a total Budget amount estimated at $65,000. Not included in these coverages, but recommended by the insurance broker, is Environmental Protection Liability, which requires an application and the rates will be those in effect at the time of First Closing of a Residential Unit, but the minimum premium as at October 3, 2002 was approximately $10,000 a year. It is estimated that this coverage could be $25,000 a year. This cost is not covered in this Budget and if the Condominium Board so elects to have this coverage, the premium payment may require a Special Assessment.

Insurance is a General Common Expense and has been allocated, apportioned, and assessed to all Units Pro Rata to their respective Common Interests, or $59,853 to all Residential and Storage Units (i.e., $65,000 x 92.081%), and $5,147 to all Commercial Units (i.e., $65,000 x 7.919%).

At First Closing of a Residential Unit, Sponsor will deliver to the Condominium Board, at the expense of the Condominium Board (payable by all Unit Owners as set forth above), policies or binders for the insurance coverages set forth above in favor of the Condominium Association. The actual cost of such coverages will depend on the premiums in effect at First Closing, which may be more or less.

It is anticipated that insurance premiums will increase substantially in the near future due to the volume of claims for property damage, liability, etc., throughout the industry in recent years.

The All Risk Replacement Cost coverage limit is based upon an agreed amount replacement cost for the Building. The insurance policy will include a provision known as an "agreed amount replacement cost endorsement" or "agreed value" whereby the insurance carrier agrees to reimburse the insured for losses up to the full amount of the policy regardless of the actual replacement value of the Building. This clause has the effect of waiving any co-insurance the insurer might otherwise require. This clause does not mean that the Condominium Association would necessarily receive sufficient proceeds to actually fully rebuild or restore the Building in the event of its substantial or total destruction. The Condominium Board should periodically review the amount of casualty insurance for the Building to insure that the amount of coverage is sufficient.

The physical damage policy will provide that each Unit Owner is an additional insured and that there will be no cancellation without notice to the Condominium Board, Unit Owners, and those Permitted Mortgagees who have requested such notice in writing. The policy will waive subrogation, invalidity because of the acts of the insured and Unit Owners and any pro rata reduction if Unit Owners obtain additional coverage.

Commercial Units 1 and 2 are currently tenanted by retail establishments. Sponsor has indicated that these tenants will remain in the Building following conversion. In the event that the occupancy of either of these Units changes and is used as a restaurant or other use that increases the risk for the Building, then such Commercial Unit will pay any increased premiums directly related to such new use.

Each Unit Owner should consider the desirability of obtaining additional insurance at the Unit Owner's sole cost for the following coverages, which are not included in the above coverages:

(a) fire or casualty losses to the contents of the Owner's Unit, including any replacements, additions, improvements and upgraded installations (that is, other than those installed by Sponsor); and

(b) liability for personal injury or property damage as a result of occurrences within the Owner's Unit or its appurtenant Terrace or Planting Terrace(if any), including water damage legal liability to cover damage arising from leaks or other conditions within the Unit or its appurtenant Terrace or Planting Terrace (if any).

In the opinion of Platinum, and Platinum's reliance on information received from DeWitt Stern Group, Inc., the amounts of this budget item to be paid by each category of Units (that is, all Residential and Storage Units and all Commercial Units), appear reasonable and adequate under existing circumstances to meet the reasonably anticipated costs of insurance premiums fairly and properly attributable to each such category of Units.

The Building is being rehabilitated from commercial occupancy to primarily residential occupancy. Accordingly, no historical information is available.

12. Management Fee (Budget $40,000)

All Residential and Storage Units:	$39,683
Commercial Units:	317
Total:	$40,000

The Budget amount is based upon the proposed management agreement with H. Justin Realty Services, LLC, which is owned and controlled by a principal of Sponsor. Such contract is for a term of three (3) years, beginning with First Closing of a Residential Unit, and at an annual fee of $40,000, payable in advance in equal monthly installments.

In the opinion of Platinum, an estimated 90% of the services of Managing Agent will be devoted exclusively to provide services to the Residential Space and the Residential and Storage Unit Owners, and an estimated 10% of such services will be devoted to service all Unit Owners or the affairs of the entire Condominium Association. Accordingly, 90% of the estimated $40,000 management fee, or $36,000 (i.e., $40,000 x 90%) has been allocated to the Residential Common Expenses and charged to all Residential and Storage Unit Owners Pro Rata to their respective Common Interests, and the remaining 10% thereof, or $4,000 (i.e., $40,000 x 10%), has been allocated to the General Common Expenses and charged to all Unit Owners Pro Rata to their respective Common Interests, or $3,683 to all Residential and Storage Unit Owners (i.e., $4,000 x 92.081%) and $317 to the Commercial Unit Owners (i.e., $4,000 x 7.919%), rounded.

In the opinion of Platinum, such allocation to the Residential Common Expenses and General Common Expenses, and the amounts thereof so apportioned among the category of Units indicated, appear reasonable and adequate under existing circumstances to pay the anticipated management fee fairly and properly attributable to: (a) the Residential Common Expenses and General Common Expenses; and (b) each category of Units (that is: all Residential and Storage Units, and all Commercial Units).

In addition to the management fee:

(a) the Managing Agent will be reimbursed certain costs an expenses (such as postage for mass mailings, and payroll costs, etc.);

(b) the Managing Agent will receive commissions for placing insurance maintained by the Condominium Board and for renting space (if any) in the Common Elements, if authorized and retained for such purpose by the Condominium Board (NOTE: no such rentable space is contemplated or available); and

(c) the Managing Agent will receive fees from Owners of Sold Residential and Storage Units in connection with the following Unit services:

(1) $550 on the sale or conveyance of a Sold Unit that is subject to (and not exempt from) the Board's Right of First Refusal under the By-Laws;

(2) $350 on the leasing or renting of a Sold Unit that is subject to (and not exempt from) said Right of First Refusal;

(3) $250 for Unit Alterations to a Sold Unit that is subject to (and not exempt from) said Right of First Refusal; and

(4) $250 on a mortgage financing or refinancing of a Sold Unit, if any Board action is requested in connection therewith.

See Section W of the Plan for a more complete summary of the provision of the Management Agreement.

The management fee is fixed for the first thirty-six (36) months of Condominium Operation. Thereafter, the fee is negotiable and subject to change. The fee and other terms of the management agreement are not the result of arms-length negotiations. Nonetheless, in the opinion of Platinum, the fee is approximately equal to the prevailing rate for management services in residential condominiums in comparable buildings (see DOCUMENT 9 in Part II of the Plan for copy of Platinum's opinion).

13. Legal and Audit Fees (Budget $5,000)

All Residential Units:		$4,964
Commercial Units:		36
	Total:	$5,000

The Condominium Board is not anticipated to retain an attorney during the first year of Condominium Operation, except possibly in connection with a real estate tax protest or remission proceedings (which are customarily performed on a contingency fee basis, other than for reimbursements of disbursements). Any expense incurred for legal service for the First Budget Year are anticipated to be minimal in amount. This Budget expense item includes an allowance of $500 for potential legal expenses in the event the Condominium Board elects to retain an attorney for legal services with respect to the operation, governance and affairs of the Residential Space (no legal services are anticipated with respect to operation, governance or affairs of the entire Property or the whole Condominium Association). This amount has been included in the Residential Common Expenses and charged to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests.

The Condominium Association will incur auditing fees in connection with the preparation of the Condominium Association's first year's audited financial statements and its Federal, State, and City income tax and franchise tax returns. An estimated $4,500 has been budgeted for these services based upon a proposal in such amount made by Buchbinder Tunick & Company LLP, Certified Public Accountants, having an office at One Pennsylvania Plaza, Suite 5335, New York, New York, 10119-0219. No accountant has been engaged for these services as of this writing.

This estimated $4,500 Budget expense item has been allocated 90%, or $4,050, to the Residential Common Expenses and 10%, or $450, to the General Common Expenses based on the opinion of Platinum of the estimated amount to audit the Residential Common Expenses and the related accounting services attributable to the Residential Space, as compared to services attributable to the General Common Elements and the General Common Expenses. The amount thus allocated to: (a) the Residential Common Expenses (i.e., $4,050) shall be payable by only all Residential and Storage Unit Owners and apportioned and assessed to them Pro Rata to their respective Common Interests; and (b) the General Common Expenses (i.e., $450) shall be payable by all Unit Owners and apportioned and assessed to them Pro Rata to their respective Common Interests, or $414 (rounded) to all Residential and Storage Units (i.e., $450 x 92.081%, rounded) and $36 (rounded) to the Commercial Units (i.e., $450 x 7.919%, rounded).

In the opinion of Platinum, the foregoing allocations of the estimated legal and auditing expenses to the Residential Common Expenses and the General Common Expenses, and the amounts thereof so apportioned to all Residential and Storage Units and to the Commercial Units, appear reasonable and adequate under existing circumstances to pay the estimated legal and audit fees fairly and properly attributable to each of them.

14. Other Expenses (Budget $6,000)

All Residential and Storage Units:	$5,976
Commercial Units:	24
Total:	$6,000

This Budget expense item includes: licenses and permits; annual elevator inspections (but excludes the two and five year inspections); corporate and franchise taxes; payroll costs related to the generation of weekly payroll, taxes, and tax filings; office and concierge desk telephones; office supplies; reproduction costs for notices, etc., to Unit Owners, staff, etc.; a minor amount to purchase small equipment (for cleaning and snow removal) and hand tools; and a small allowance for potential interest on notes to pay closing apportionments if the net amount is in favor of Sponsor and exceeds $20,000 (see Section V, subsection V-3 below). This Budget does not include the fees for future inspections such as standpipe and sprinkler five year inspections.

For purposes of presentation in the Budget only, all estimated amounts includible in "Other Expenses" has been allocated 95%, or $5,700 (i.e., $6,000 x 95%), to the Residential Common Expenses, and 5%, or $300 (i.e., $6,000 x 5%), to the General Common Expenses. The amount thus allocated to: (a) the Residential Common Expenses shall be payable by only all Residential and Storage Unit Owners and apportioned among them Pro Rata to their respective Common Interests; and (b) the General Common Expenses shall be payable by all Unit Owners and apportioned among them Pro Rata to their respective Common Interests. Accordingly, the $300 allocated to the General Common Expenses is apportioned $276 (rounded) to all Residential and Storage Units (i.e., $300 x 92.081%) and $24 (rounded) to the Commercial Units (i.e., $300 x 7.919%).

In the opinion of Platinum, such allocation to the Residential Common Expenses and General Common Expense, and the amounts thereof apportioned among the category of Units indicated, appears reasonable and adequate under existing circumstances to pay the costs of this Budget item fairly and properly attributable to: (a) the Residential Common Expenses and General Common Expenses; and (b) each category of Units (that is: all Residential and Storage Units, and all Commercial Units).

This projection is an estimate of Platinum, based upon its experience in residential management and on its opinion of the reasonably anticipated customary miscellaneous expenses of the Condominium Association for the projected Budget Year under existing circumstances and assuming present trends and conditions, to the extent applicable, will continue.

15. Contingency (Budget $11,605)

All Residential and Storage Units:	$11,454
Commercial Units:	151
Total:	$11,605

This Budget expense item is to provide a fund for unanticipated operating expenses during the first year of Condominium Operation, including an allowance for a possible increase in one (1) or more expense items in this Budget and/or to add to this Budget one (1) or more new expense items. This item is not to provide a reserve for capital expenditures and no such capital reserve fund is included in this Budget or under this Plan (see "Section U. Reserve Fund").

For budgeting purposes only, this contingency item consists of: (a) 2.5% of the total of all other budgeted General and Residential Common Expenses of $458,016 allocated to all Residential and Storage Units, or $11,454, rounded (i.e., $458,016 x 2.5%); and (b) 2.5% of the total of all other General Common Expenses of $5,994 allocated to the Commercial Units, or $151, rounded (i.e., $5,994 x 2.5%).

In the opinion of Platinum, such allocation to the Residential Common Expenses and General Common Expenses, and the amounts thereof apportioned among the category of Unit Owners indicated, appear reasonable and adequate under existing circumstances to pay the costs of this Budget item fairly and properly attributable to: (a) the Residential Common Expenses and General Common Expenses; and, (b) each category of Units (that is: all Residential and Storage Units, and all Commercial Units).

This projection is an estimate of Platinum based upon its experience in residential management and on its opinion of the reasonably anticipated customary contingency expenses of the Condominium Association for the projected Budget Year under existing circumstances and assuming present trends and conditions, to the extent applicable, will continue.

END OF SCHEDULE B

F-7. Schedule B-1 : Unit Utility Projections

SCHEDULE B-1

Unit Utility Projections of
Stanislav Slutsky, P.E., Consulting Engineers

The projections of utility costs to provide electricity (for light, power, heating and air conditioning), fuel oil (for heating) and gas (for hot water, cooking, clothes dryers and fireplaces) to Residential and Storage Units and the Common Elements for the First Budget Year projected to begin July 1, 2003, as estimated by Stanislav Slutsky, P.E., begin on the next page.

CAVEAT: MANY AND VARIABLE FACTORS, AS WELL AS UNFORESEEABLE EVENTS, WILL AFFECT UTILITY COSTS. THE PROJECTED UTILITY COSTS ARE GOOD FAITH ESTIMATES, BUT CANNOT BE, AND ARE NOT, ASSURED OR GUARANTEED. IN ALL LIKELIHOOD, ACTUAL UTILITY COSTS WILL VARY FROM THESE ESTIMATES.

Stanislav Slutsky, P.E. ♦ Consulting Engineers

November 7, 2002
Rev. January 21, 2003

Mr. Henry Justin
115 West 130th Street
New York, NY 10001

The following are estimated energy and public utilities consumption costs for Condominium at 130 West 30th Street, New York, NY.

A. ESTIMATED COST OF FUEL OIL # 2

(Common gas/oil fired boilers equipped with domestic hot water heaters. New boiler efficiency 80%, existing boiler efficiency 70 %. Gas stove in each apartment, gas dryer in new extension apartments apartment)

1. Space Heating - new extension

A. Heating Load: 1,900,000 BTU/HR

B. Boiler provides 75% of space heating load

C. Boiler efficiency 75%, assumed

B. Estimated annual fuel consumption: 23,680 gallons of fuel oil # 2

C. Annual cost: **$24,864**

B. ESTIMATED COST OF NATURAL GAS

1. Gas for cooking - per apartment

A. 60,000 BTU/HR (3 hours a day at 50% of full capacity) per apt.
B. Annual Gas Consumption 329 Therms
C. Annual cost $257

2. Gas for dryers - per apartment

A. 80,000 BTU/HR (4 hours a week) per apt.

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B. Annual Gas Consumption 166 Therms
C. Annual cost $130

3. Gas for gas fireplaces - per apartment

A. 70,000 BTU/HR (20 hrs during 3 month winter season) per apt.
B. Annual Gas Consumption 14 Therms
C. Annual cost $11

4. Hallway heating - per entire building

A. 400,000 BTU/HR (1000 hrs at full load during 3 month winter season)
B. Annual Gas Consumption 4000 Therms
C. Annual cost $3,120

5. Domestic Hot Water - new extension, per entire building

A. 130 Gals per apt. per day bathrooms, kitchen w/dishwasher, clothes washer

B. Estimated annual fuel consumption: 22,233 Therms

C. Annual cost: **$17,342**

C. *ESTIMATED COST OF ELECTRICITY FOR COMMON USES*

LOAD	KW (HP)	USE FACTOR %	KW-HRS	NOTES
LIGHTING, STAIRS/HALLWAYS	40	100	350,400	8760 HRS
LIGHTING, OUTDOOR	4.0	50	17,520	8760 HRS
LIGHTING -MECH. ROOMS	2.5	25	5,475	8760 HRS
LIGHTING -GENERAL COMMON ELEMENTS	2.0	25	4,380	8760 HRS
WATER BOOSTER PUMPS	(60)	20	78,420	8760 HRS
SEWAGE PUMP	(1.5)	20	1,960	8760 HRS
EXHAUST FAN MOTORS	(8)	100	52,280	8760 HRS

LOOP CIRCULATING PUMPS	(50)	100	233,800	WINTER 3000 HRS SUMMER: 1500 HRS OTHER: 1500 HRS
COOLING TOWER CIRCULATING PUMPS	(50)	100	55,950	SUMMER: 1500 HRS
BOILER FEED PUMPS PUMPS	2@(5)	20	13,070	8760 HRS
ELEVATORS	2@(30)	25	98,024	8760 HRS
MISC. MECH. LOADS	5	50	21,900	8760 HRS
FIRE RESERVE TANK HEATER	15	100	30,000	WINTER 2000 HRS
COOLING TOWER	(50)	100	37,300	SUMMER: 1000 HRS
COOLING TOWER PAN HEATER	1@9	100	18,000	WINTER 2000 HRS
LOBBY AIR CONDITIONING	10	100	15,000	SUMMER: 1500 HRS
PIPE HEAT TRACING	4	100	8,000	WINTER: 2000 HRS

Consumption charges: (1,041,479 KWHRS): **$69,050**

Demand charges (estimated 174 KW average): **$36,665**

Total annual electric cost: **$105,615**

D. *ESTIMATED COST OF ELECTRICITY FOR INDIVIDUAL APARTMENTS*

Apartment: "2A", "3A", "4A", "5A", "6A", "7A", "8A", "9A"- 1,661 s.f. each

1. Air Conditioning: 3103 KWHRS
2. Heating: 1847 KWHRS
3. Other Electrical Loads:
   - a) Lighting: 3625 KWHRS
   - b) Appliances: 1278 KWHRS
4. Total: 9855 KWHRS
5. Total annual cost.....**$1,265**

Apartment: "2B", "3B", "4B", "5B", "6B", "7B", "8B, "9B"- 2,150 s.f. each

1. Air Conditioning: 4031 KWHRS
2. Heating: 2399 KWHRS
3. Other Electrical Loads:
   - a) Lighting: 4709 KWHRS
   - b) Appliances: 1278 KWHRS
4. Total: 12417 KWHRS
5. Total annual cost.....**$1,591**

Apartment: "2C", "3C", "4C", "5C", "6C", "7C", "8C, "9C"- 2,065 s.f. each

1. Air Conditioning: 3859 KWHRS
2. Heating: 2297 KWHRS
3. Other Electrical Loads:
   - a) Lighting: 4507 KWHRS
   - b) Appliances: 1278 KWHRS
4. Total: 11941 KWHRS
5. Total annual cost.....**$1,530**

Apartment: "10A"- 1,479 s.f.

1. Air Conditioning: 2762 KWHRS
2. Heating: 1644 KWHRS
3. Other Electrical Loads:
   - a) Lighting: 3226 KWHRS
   - b) Appliances: 1278 KWHRS
4. Total: 8910 KWHRS
5. Total annual cost.....**$1,145**

Apartment: "10B"- 2,129 s.f.

1. Air Conditioning: 3992 KWHRS
2. Heating: 2376 KWHRS
3. Other Electrical Loads:
    a) Lighting: 4663 KWHRS
    b) Appliances: 1278 KWHRS
4. Total: 12309 KWHRS
5. Total annual cost.....**$1,450**

Apartment: "10-C"- 2,064 s.f.

1. Air Conditioning: 3859 KWHRS
2. Heating: 2297 KWHRS
3. Other Electrical Loads:
    a) Lighting: 4507 KWHRS
    b) Appliances: 1278 KWHRS
4. Total: 11941 KWHRS
5. Total annual cost.....**$1,530**

Apartment: "11A", "12A", "14A"- 1,394 s.f. each

1. Air Conditioning: 2602 KWHRS
2. Heating: 1549 KWHRS
3. Other Electrical Loads:
    a) Lighting: 3040 KWHRS
    b) Appliances: 1278 KWHRS
4. Total: 8469 KWHRS
5. Total annual cost.....**$1,089**

Apartment: "11B", "12B", 14B"- 2,052 s.f. each

1. Air Conditioning: 3848 KWHRS
2. Heating: 2290 KWHRS
3. Other Electrical Loads:
    a) Lighting: 4494 KWHRS
    b) Appliances: 1278 KWHRS
4. Total: 11910 KWHRS
5. Total annual cost.....**$1527**

Apartment: "11C"- 2,055 s.f.

1. Air Conditioning: 3853 KWHRS
2. Heating: 2293 KWHRS
3. Other Electrical Loads:

a) Lighting: 4500 KWHRS
b) Appliances: 1278 KWHRS
4. Total: 11924 KWHRS
5. Total annual cost.....**$1529**

Apartment: "12C", "14C"- 1,905 s.f.

1. Air Conditioning: 3572 KWHRS
2. Heating: 2126 KWHRS
3. Other Electrical Loads:
   a) Lighting: 4172 KWHRS
   b) Appliances: 1278 KWHRS
4. Total: 11148 KWHRS
5. Total annual cost.....**$1,430**

Apartment: "15A"- 2,489 s.f.

1. Air Conditioning: 4469 KWHRS
2. Heating: 2778 KWHRS
3. Other Electrical Loads:
   a) Lighting: 5451 KWHRS
   b) Appliances: 1278 KWHRS
4. Total: 13976 KWHRS
5. Total annual cost.....**$1,879**

Apartment: "15B"- 1,987 s.f.

1. Air Conditioning: 3726 KWHRS
2. Heating: 2217 KWHRS
3. Other Electrical Loads:
   a) Lighting: 4352 KWHRS
   b) Appliances: 1278 KWHRS
4. Total: 11573 KWHRS
5. Total annual cost.....**$1,496**

Apartment: "16A", "17A"- 2,256 s.f.

1. Air Conditioning: 4230 KWHRS
2. Heating: 2518 KWHRS
3. Other Electrical Loads:
   a) Lighting: 4940 KWHRS
   b) Appliances: 1278 KWHRS
4. Total: 12966 KWHRS
5. Total annual cost.....**$1,661**

Apartment: "16B", 17B"- 1,987 s.f.

1. Air Conditioning: 3726 KWHRS
2. Heating: 2217 KWHRS
3. Other Electrical Loads:
    a) Lighting: 4352 KWHRS
    b) Appliances: 1278 KWHRS
4. Total: 11573 KWHRS
5. Total annual cost.....**$1,496**

Apartment: "18A"- 3,852 s.f.

1. Air Conditioning: 7223 KWHRS
2. Heating: 4299 KWHRS
3. Other Electrical Loads:
    a) Lighting: 8436 KWHRS
    b) Appliances: 1278 KWHRS
4. Total: 21236 KWHRS
5. Total annual cost.....**$2,713**

Apartment: "19A"- 2,998 s.f.

1. Air Conditioning: 5602 KWHRS
2. Heating: 3334 KWHRS
3. Other Electrical Loads:
    a) Lighting: 6544 KWHRS
    b) Appliances: 1278 KWHRS
4. Total: 16758 KWHRS
5. Total annual cost.....**$2,143**

Apartment: "19B"- 2,813 s.f.

1. Air Conditioning: 5274 KWHRS
2. Heating: 3140 KWHRS
3. Other Electrical Loads:
    a) Lighting: 6160 KWHRS
    b) Appliances: 1278 KWHRS
4. Total: 15802 KWHRS
5. Total annual cost.....**$2,022**

E. ESTIMATED COSTS OF WATER AND SEWER

1. Use of water per day per apartment: 200 Gals
2. Annual water use: 3,285,000 Gals or 439,171 Cu.Ft.
3. Annual water and sewer charges: **$16,381**
4. Cost estimates are based upon the combined water and sewer rate of **$3.73 per 100 Cu.Ft.**

F. GENERAL

I. Consolidated Edison Co. Monthly Electricity Rates

Taxes and surcharges are excluded
Energy Rates are subject to change

Service Classification #1-Residential (October, 2002):

FIRST 250 KWHR	13.108 Cents/KWHR
OVER 250 KWHR	12.719 Cents/KWHR

Service Classification #9-General/Large Commercial (October, 2002):

Consumption, Cents/KWHR:		6.63
Demand:	First 5 KW	$87.80
	Next 895 KW	$17.56 per KW

II. The estimates of Electrical Energy use are based upon the following assumptions:

1. Estimated air conditioning cost based on average electrical demands of 1.5 KW per ton of refrigeration. Each unit is assumed to operate 500 equivalent full load hours a year.
   All rooms are air conditioned with 1 ton of refrigeration covering 350 sq.ft. of floor area.

2. Estimated cost of heating provided by heat pump units in each apartment are based on estimated heating contributed by apartment heat pumps to meet 30% of apartment heating load. 70% of heating load is generated by central fuel fired equipment and distributed to each apartment via loop piping.

3. Electricity use other than air conditioning and heating is estimated as follows:

a. Lighting cost was based on New York City Electrical Code requirements of 3 watts per square foot, and assumes average unit shall utilize 50% of all lamps approximately 4 hours per day, 365 days per year.

b. Appliances are assumed to be 6.0 KW per apartment with average use of 0.5 hours per day, 365 days per year. Appliances include: dishwasher, standard 24 Cu.Ft. refrigerator, TV's, radios, other appliances.

III. Con Edison. Natural Gas Rates (October, 2002):

Taxes and surcharges are excluded
Energy Rates are subject to change

Service classification # 12 , rate 1, Priority AB-interruptible
Service classification # 1, residential firm (eff. 8/1999):

First 3 Therms	$11.82
Excess over 3 Therms	$0.7840 per Therm

IV. Heating energy consumption estimates support data:

Average winter temperature in N.Y.C. = 42.8°F

Degree days in N.Y.C. (Central Park) = 4,871

Outdoor design temperature = 5°F

Indoor design temperature = 72°F

1 Therm = 100,000 BTUH

1 gallon of fuel oil # 2 = 140,000 BTUH

Efficiency (existing boiler with DHW coil) = 75%

Amount of fuel required in a year = $\frac{\text{Heat loss x Degree days x 24}}{\Delta T \times 140000 \times \text{eff.}}$

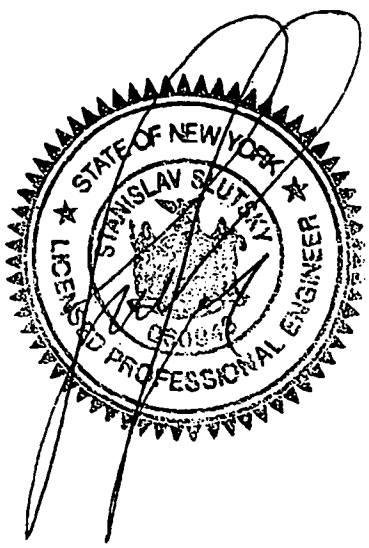
V. Fuel oil # 2 spot market price as of October 4, 2002:

$0.91 per gallon net, 1.05 per gallon including tax

Surcharges are excluded
Energy Rates are subject to change

This Engineer's Report can be reproduced for the Condo plan for the premises of 130 West 30th Street, New York, NY. Engineer agrees to any such use of this report.

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SECTION G. OPINION ON COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

Platinum Properties Of New York Ltd.
488 Madison Avenue, New York, New York 10022-5702

January 8, 2003

130 WEST 30TH, LLC
115 West 30th Street, Suite 203
New York, New York 10001

Re: Condominium Offering Plan (the "**Plan**") for
130 West 30th Street Condominium
130 West 30th Street, New York, New York 10001 (the "**Building**")

Ladies and Gentlemen:

Platinum Properties Of New York Ltd. is a real estate brokerage firm licensed in the State of New York. Our principal has been engaged in the sale and management of residential properties in New York, including condominiums, for more than twenty (20) years, including association with other real estate firms in New York City. During the past five (5) years we managed 301 East 94th Street, 200 Pinehurst Avenue, 357 West 30th Street, 205 East 76th Street and 24 West 45th Street, all in New York City. All capitalized terms not otherwise defined herein shall have the same meanings ascribed to them in the Plan.

You have requested our opinion on whether the method used to determine the undivided percentage interest of each Unit in the Common Elements in the above-referenced matter complies with Real Property Law Section 339-i(1)(iv) ("**Section 339-i(1)(iv)**"). In connection with this opinion, we have reviewed the Plan and have assumed and relied upon the statements and information contained therein (including the floor plans and the computations of square footages prepared by Alfredo G. Carballude, R.A., of CMA Design Studio, P.C.) as being correct and accurate.

The Plan states that the Common Interest of each Unit 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, as provided in Section 339-i(1)(iv).

In our opinion, the Common Interest of each Unit set forth in the Plan appears to be based on factors of relative value to other Units in the Condominium (such as floor space and location in the Building), and other factors of uniqueness of the Unit, the availability of the Common Elements for the exclusive use, service and benefit of certain Units (such as the Residential Limited Common Elements, which are limited or restricted completely or primarily to the use in common of only the Residential and Storage Units to the exclusion or substantial exclusion of the Commercial Units) or for shared use (such as the General Common Elements, which are for the use in common of all Units), and the overall dimensions of the Unit. Accordingly, based upon our knowledge of current market conditions and on our experience in the real estate brokerage and residential management business, in our opinion, the Common Interest of each Unit complies with the requirements of said Section 339-i(1)(iv) so as to reasonably reflect: (a) its value relative to other Units, (b) those Building services and amenities furnished exclusively to the Residential and Storage Units or furnished to all Units, and (c) those Common Elements that are for the exclusive or substantially

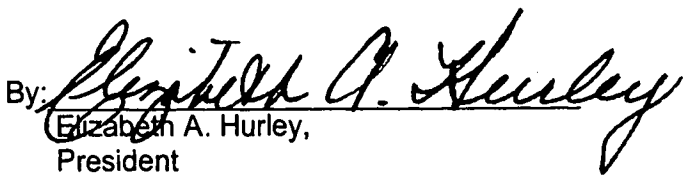
exclusive use, service and benefit of only the Residential and Storage Units (i.e., the Residential Limited Common Elements) or are for the shared use, service and benefit in common of all Units (i.e., the General Common Elements).

We are not owned or controlled by, and have no financial or beneficial interest in, nor any family, employment or other business relationship with, Sponsor, 130 West 30th, LLC, or Sponsor's principal, other than our fee for services rendered in connection with this opinion.

We understand that this letter will be reproduced in the Plan and we hereby consent to such use.

Very truly yours,

PLATINUM PROPERTIES OF NEW YORK LTD.

By: 
Elizabeth A. Hurley,
President

END OF SECTION G

SECTION H. COMMERCIAL UNITS

H-1. Uses and Shared Expenses. The Commercial Units consist of two (2) retail Units at ground level (each with space below on the cellar level) and two (2) storage Units on the sub-cellar level. Commercial Unit 1 is used as a retail jewelry store pursuant to a lease with Savon Jewelers, Inc. expiring September 30, 2004. Commercial Unit 2 is used as a retail fur coat store pursuant to a lease with James Liakos & Sons, Inc. expiring on June 30, 2003. Commercial Units 3 and 4 on the sub-cellar are not leased as at the date of this Plan and are vacant or used for storage of commercial tenant files. The rents under the existing and future leases of the Commercial Units are payable and belong to Sponsor as Owner of the Commercial Units and will not benefit the Condominium Association. The share of the projected expenses of Condominium Operation attributable to the Commercial Units is based on the Special Allocation and Apportionment Rule, as provided in RPL §339-m (see Section F and SCHEDULE B contained therein for details).

H-2. Common Charges. The Common Charges payable by each Commercial Unit Owner are sufficient to cover the Condominium expenses fairly attributable to such Owner's Unit (see DOCUMENT 8D in Part II of this Plan for Certification of Platinum Properties Of New York Ltd. to the foregoing effect).

H-3. Changes in Use. The Commercial Units are not restricted to their current uses and the Owners of the Commercial Units may change the use of each Commercial Unit from time to time for any lawful use, Freely and Without Consent, Payment or Restriction, other than the restriction against Prohibited Uses (see Section A, subsection A-1 for discussion). The Commercial Units may be used for one (1) or more restaurants, food stores, clothing stores, banks and other retail and commercial establishments, whether or not similar to the foregoing. The permitted uses of the Commercial Units may be noisy, emit odors, involve heavy traffic and cause other effects that need not necessarily be compatible with the primary use of the Building for dwelling purposes. Any new use of a Commercial Unit shall comply with all applicable Laws, including zoning Laws and the Building's Certificate of Occupancy, subject to the right of each Commercial Unit Owner to seek a zoning variance and to amend the Certificate of Occupancy to authorize a different use. The Condominium Board and Residential and Storage Unit Owners will not have the right to approve the use, any change in use, Operation, occupancy or tenancy of the Commercial Units or the businesses conducted therein, and no representation, assurance or guarantee is made or given by Sponsor with respect thereto.

H-4. Subdivision and Other Unit Changes. Each Commercial Unit Owner shall have the right to subdivide and make other "Unit Changes" (as defined in Section I, subsection I-4 below) to its Unit, subject to compliance with Part 20 of the Attorney General's regulations (see subsection I-5 below) and the terms and requirements set forth in subsection I-6 below).

H-5. Common Charges. The Commercial Unit Owners do not have special or exclusive use or availability or exclusive control (i.e., Usage) of particular common areas, although the Common Charges allocated to the Commercial Units reflect the Condominium expenses fairly attributable to them. The Common Charges allocated to the Residential and Storage Units reflect their special or exclusive Usage of the Residential Limited Common Elements and the Association's Residential Properties (if any). See SCHEDULE B in Section F above for the Residential Common Charges allocated to the Residential and Storage Unit Owners to pay the Residential Common Expenses.

H-6. Declaration and By-Laws. The Declaration and By-Laws authorize and require the Condominium Board to specially allocate or apportion profits and expenses or specific expense items based on special or exclusive use or availability or exclusive control of particular Units or common areas. Any dispute between the Commercial Unit Owners and the Condominium Board

concerning any special allocations or apportionments shall be resolved by arbitration in New York City pursuant to Article 19 of the By-Laws (see Section R, subsection R-9 below for discussion).

H-7. Rights and Obligations. The Commercial Unit Owners have rights and obligations which differ from those of Residential and Storage Unit Owners. These differences are explained in the preceding subsections H-1 to H-6 and in the following provisions of this subsection. The rights and obligations of the Commercial Unit Owners will not have a material adverse impact upon the Condominium.

H-7.1. Budget Adoption. The Commercial Unit Owners may propose a Budget of projected receipts and projected expenses for each Budget Year, including a change in allocation or apportionment of Common Expenses, for consideration by the Condominium Board. The Commercial Board Members, who are appointed and designated exclusively by the Commercial Unit Owners, shall participate in (but shall not control) the determinations of the Condominium Board in adopting each Budget and the allocation and apportionment of the Condominium's expenses to the Unit Owners, which nonetheless are to be allocated and apportioned in strict compliance with the Special Allocation and Apportionment Rule (see above Section B, subsection B-5.3, and Section F and SCHEDULE B contained therein). The Commercial Unit Owners are to receive a copy of a newly adopted Budget or a revised Budget that increases the General Common Charges at least 30 calendar days before the effective date of such increase. All approvals, decisions and actions to be made by the Commercial Board Members (including those involving the proposal and approval of a Budget or revised Budget) may be made or taken by the Commercial Unit Owners in place of the Commercial Board Members.

H-7.2. Budget Reserves. If a Budget includes a reserve for unanticipated General Common Expenses or an allowance for an increase in one ore more items of General Common Expenses or for potential new or additional General Common Expenses, or other contingencies includible in General Common Expenses (collectively, "**Contingency Reserve**"), such Contingency Reserve, when added to all amounts not spent in a Contingency Reserve for one (1) or more prior Budgets, shall not exceed five percent (5%) of the projected General Common Expenses in such Budget without obtaining the prior written Discretionary Approvals or Consents of the Commercial Unit Owners. The foregoing does not apply to budget reserves to be segregated in a separate account for use solely to make capital or major Repairs or Alterations.

H-7.3. Budget Reconciliation. After the end of each Budget Year, the Condominium Board and the Commercial Unit Owners shall reconcile any net underpayment or overpayment by the Commercial Unit Owners of the audited General Common Expenses fairly allocated and apportioned to each of them in accordance with the procedure set forth in Section 9.2 of the Declaration and repeated in subsection 8.6.2 of the By-Laws. Any net underpayment by a Commercial Unit Owner shall be included in such Owner's Common Charges next due and payable and any net overpayment shall be credited to (and reduce) such Owner's Common Charges next due and payable or (at the exclusive option of such Commercial Unit Owner) refunded immediately to said Commercial Unit Owner as provided in the Condominium Documents.

H-7.4. Sale, Lease or Other Disposition. A sale, lease, sublease, license or other Disposition of the Commercial Units or any portion of a Commercial Unit may be made Freely and Without Consent, Payment or Restriction of any kind, other than the restriction against using a Unit for any Prohibited Uses. This means that any Disposition of a Commercial Unit or any portion thereof may be made:

(a) without consent or approval of the Condominium Board, the Unit Owners or others;

(b) without complying with any kind of conditions, limitations, restrictions or requirements of the

Condominium Board or other authority, other than the requirement to comply with applicable Laws and said restriction against Prohibited Uses;

(c) without paying any kind of fees, flip tax, costs or expenses of the Condominium Board or its Managing Agent or attorneys;

(d) without approval, and regardless, of the identity of the proposed purchaser, transferee, tenant, subtenant or licensee;

(e) without requiring the proposed purchaser, transferee, tenant, subtenant or licensee to submit an application, financial statement, tax return, references or other documents, or attend a personal interview;

(f) without any "Right of First Refusal" (or "Match Offer Right") in favor of the Condominium Board or Unit Owners;

(g) without approval, and regardless, of the form or content of the agreement of sale/purchase, lease, sublease, license or other Disposition of the Commercial Unit; and

(h) without in any way sharing or participating in the income or revenues derived from the sale, rental, license, Operation, use or other Disposition of the Commercial Unit.

H-7.5. Alterations. The Commercial Unit Owners shall have the right, Freely and Without Consent, Payment or Restriction (other than the requirement to comply with the applicable Work Requirements set forth in the Declaration) to Alter their Units. Such right to Alter by the Commercial Unit Owners includes the same right as Sponsor to make "Unit Changes" as defined and set forth in Section I, subsection I-4, but subject to compliance with the requirements in subsections I-5 and I-6 below.

H-7.6. Rights and Easements. The Commercial Unit Owners, their respective authorized tenants and licensees, and the respective authorized Agents, Employees and Contractors of each of the foregoing, shall each have the following rights and easements:

(a) rights and easements to install Commercial Equipment (e.g., flues and exhaust fans) and Communications Equipment and Other Installations in, on and along the non-habitable or non-public portions of General Common Elements and Residential Limited Common Elements (e.g., the Building Walls, the Roofs, and Roof Structures, and the rooms in the cellar and sub-cellar housing Residential Equipment or General Common Elements) in order to provide heat, hot water and other services to the Owner's Commercial Unit[1];

(b) rights and easements to connect Commercial Equipment (e.g., utility lines, conduits, pipes and ducts) to Equipment forming a part of the General Common Elements or Residential Limited Common Elements (e.g., complimentary utility lines, conduits, pipes and ducts)[1];

(c) rights and easements for ingress and egress to, from, through, across and on the public and other portions of the General Common Elements and Residential Limited Common

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[1] All such installations and connections must comply with the "Installation Requirements" as defined and set forth in Section 10.4.2 of the Declaration, which requires that: (a) the Work is to be performed in accordance with the applicable Work Requirements contained in Section 15.2 of the Declaration; and (b) the Commercial Equipment to be installed or connected shall not prevent access to, nor overload or materially impair the proper and efficient performance, function, capacity or utility of the Equipment and Installations then comprising the Common Elements or a Residential Unit.

Elements (including the 130 West 30th Street Public Areas and elevators) in order to (c-1) access the Owner's Commercial Unit; (c-2) perform such installations; (c-3) Maintain, Repair, Alter and otherwise Operate existing Commercial Equipment and such newly installed Commercial Equipment and Communications Equipment and Other Installations; and (c-4) transport materials, supplies and Equipment;

(d) rights and easements to temporarily interrupt Building services in connection with the performance of the Work; and

(e) rights and easements for emergency egress to, through, across and on the public portions of the General Common Elements and Residential Limited Common Elements leading to a street.

All these rights and easements may be exercised and performed Freely and Without Consent, Payment or Restriction (other than the requirement to comply with the applicable Work Requirements set forth in Article 15 of the Declaration), including without paying any kind of fee or charge. Such Work Requirements applicable to said Alterations, installations, connections and access include (among others):

(a) the requirement to comply with all applicable Laws;

(b) the requirement not to permanently diminish or adversely and unreasonably affect the proper and efficient performance, function, capacity or utility of another Owner's Unit or the Common Elements servicing another Unit;

(c) the requirement not to impair or threaten the Structural Components of the Building or the structural integrity of the Building or the life, health or safety of Owners or permitted tenants or occupants of other Units; and

(d) the requirement not to unreasonably interfere with the peaceful possession or proper use of the Units or the Common Elements as permitted or stated in the Condominium Documents.

If the New York City fire department, building department or other Governmental Authority having jurisdiction requires a secondary means of egress be provided for Commercial Unit 2 for its cellar level, then the Owner of Commercial Unit 2 shall have a right and easement, at its sole Cost and Expense, to remove a portion of the Party Wall separating such Unit and the public corridor adjacent thereto, and install therein a door meeting all fire and building code requirements, and otherwise comply with all applicable Laws.

If such Governmental Authority requires a secondary means of egress be provided from the sub-cellar, then the Condominium Board shall have a right and easement to erect, install and enclose a public stair for such purpose on specified easement areas of Commercial Unit 2 on the cellar and floor 1 (see floor plan of Commercial Unit 2 in Document 5 of Part II for delineated areas). The Condominium Board and its Agents, Employees and Contractors shall also have a right and easement of access for ingress and egress to, from, through, across and on Commercial Unit 2 in order to perform such Work and to thereafter use, Maintain, Repair and Alter such new public stair from time to time. The Condominium Board may exercise such rights and easements without the approval or consent of the Owner of Commercial Unit 2, without paying such Unit Owner any consideration for using such portions of Commercial Unit 2, without changing the Common Interest of Commercial Unit 2, and without abating the Common Charges of Commercial Unit 2. The Costs and Expenses paid or incurred by the Condominium Board in connection with the erection, installation and equipping of such public stair and thereafter to Maintain, Repair and Alter same

shall be included in the General Common Expenses and charged to all Unit Owners Pro Rata to their respective Common Interests.

H-7.7. Exemptions. The Alterations, installations and related Work to be performed pursuant to subsections H-7.5 and H-7.6 are exempt from the Board approvals, consents and other requirements applicable to Alterations of Sold Residential Units. The Residential Board Members, other Unit Owners and their Unit mortgage lenders will not have the right to approve or to review the plans and specifications of the proposed Alterations to the Commercial Units or the proposed Installations or connections of Commercial Equipment and Communications Equipment and Other Installations affecting the General Common Elements or the Residential Limited Common Elements, or to Maintain, Repair, Alter and otherwise Operate any existing or newly installed Commercial Equipment and Communications Equipment and Other Installations. In addition, the Commercial Unit Owners and their respective authorized tenants and licensees, and the respective Agents, Employees and Contractors of each of the foregoing, will not be required to enter into any agreement or comply with any requirements or Work rules of the Condominium Board or pay any charge or other fee, including those (if any) that may be imposed or adopted by the Condominium Board for Alterations to Sold Residential Units, but all such Alterations of the Commercial Units and said Installations, connections and Operations of any existing or newly installed Commercial Equipment and Communications Equipment and Other Installations must be performed in accordance with the applicable Work Requirements set forth in Section 15.2 of the Declaration.

H-7.8. Obligation for Maintenance, Repairs and Damages. All Commercial Equipment and said Communications Equipment and Other Installations shall be Maintained and Repaired by, and at the sole Cost and Expense of, the applicable Commercial Unit Owner or such Owner's tenant or licensee. If the Common Elements are damaged as a result of said Alterations to the Owner's Commercial Unit or the installation or Operation of the Commercial Equipment or said Communications Equipment and Other Installations, the applicable Commercial Unit Owner shall pay and perform, or cause its tenant or licensee to pay and perform, all Work to Repair the damage and restore the affected Common Elements to as near as reasonable and economically practical to the condition existing immediately prior to being damaged.

H-7.9. Signs. The respective Owners of Commercial Units 1 and 2 and their authorized tenants and licensees shall have the right, Freely and Without Consent, Payment or Restriction (other than those set forth below), to erect, install, Maintain, Repair and Alter one (1) or more Signs on the Storefronts and entrances to such Units and the Building Walls abutting such Storefronts and entrances, and on the sidewalks along and immediately adjacent to their Units. The Signs may be of any nature, size, content, composition, material, design, illumination, configuration, fabrication, quality, color, appearance, content or character whatsoever, and may be used for any Promotional, advertising, display, sales, rental, identity, business, operation and/or other lawful purpose. The Condominium Board and other Unit Owners shall not have the right to approve the Signs or impose any charge or fee in connection with their installation, existence, use, Maintenance, Repair or Alteration. In addition, the Owner or tenant or licensee of a Commercial Unit shall not be required to enter into any agreement or comply with any requirements or Work rules of the Condominium Board, including those that may be adopted for Alterations to Residential Units. Nevertheless, all Work performed and Signs: (a) must comply with all Laws and the applicable Work Requirements set forth in the Declaration; (b) must not impair or threaten the structural integrity of any portion of the Building; and (c) must not unreasonably and materially prevent another Unit from being used for any purpose permitted in the Declaration and By-Laws.

H-7.10. Condominium Board. From and after the election of the first Condominium Board by the Unit Owners following the First Closing of a Residential Unit, the Condominium Board shall at all

times comprise not less than two (2) Commercial Board Members. The respective Owners of Commercial Units 1 and 2 shall each appoint and designate one (1) of the two (2) Commercial Board Members. If the total number of Board Members is increased to more than nine (9) Board Members, the number of Commercial Board Members to be elected exclusively by appointment and designation by such Commercial Unit Owners shall increase proportionately (any fraction will be rounded up to the next whole number). The Commercial Board Members may be removed "with good cause" by vote of a majority in number and Common Interest of all Residential and Storage Unit Owners (excluding the Condominium Board and its nominee or designee with respect to any Units owned by each of them) or "without cause" by only the applicable Commercial Unit Owner who appointed and designated such Commercial Board Member. A vacancy on the Board of a Commercial Board Member, whether resulting from removal ("with" or "without" cause), resignation, incompetency, incapacity, death or otherwise, shall be filled by appointment and designation exclusively by the applicable Commercial Unit Owner who appointed and designated such Board Member. Any decision to be made by the Condominium Board that affects only the Commercial Units will be determined solely by the Commercial Board Members. The Residential Board Members and the Residential and Storage Unit Owners will not have the right to vote on any matter that affects only the Commercial Units and the Commercial Board Members and the Commercial Unit Owners will not have the right to vote on any matter that affects only the Residential Space or the Association's Residential Properties. The Commercial Board Members shall have the exclusive right to appoint and designate a co-Vice President and co-Secretary, each of whom shall have all of the same powers and duties of the equivalent officer of a stock corporation organized under the Business Corporation Law of the State of New York, but may act in connection with only the Operation and affairs of the Commercial Units.

H-7.11. Casualty. In the event a Commercial Unit is damaged by fire or other casualty, the Owner of such Unit shall have the sole right: (a) to arrange for the Repair and restoration of its Unit; and (b) to adjust and settle with the Condominium's insurance carrier any insurance claim for the loss or damage to the Unit.

H-7.12. Cooperation of Condominium Board.

H-7.12.1. Cooperation. The Condominium Board shall fully cooperate with the Commercial Unit Owners, Freely and Without Consent, Payment or Restriction (except for certain out-of-pocket costs set forth below) in connection with: (a) the sale, lease, sublease, license, mortgage or other Disposition of all or a portion of such Owner's Unit; (b) the Operation or change in size or configuration (including a subdivision, expansion or combination with another Unit) or other Disposition of such Owner's Unit (including its Commercial Equipment and Installations); and (c) the exercise of the rights and performance of the duties and obligations of such Owner under the Condominium Documents.

H-7.12.2. Certain Rights and Requirements. In furtherance of such cooperation:

(a) the Commercial Unit Owners and their respective authorized Agents, Employees, and Contractors shall be given reasonable access (including ingress and egress) to, from, through, across and on the General Common Elements and Residential Limited Common Elements (including the 130 West 30th Street Public Areas and elevators) to the extent reasonably necessary and provided the permitted Use and Enjoyment of any Residential or Storage Unit is not unreasonably interfered with; and

(b) the Condominium Board shall properly complete, sign and return to the Owner of the applicable Commercial Unit, and such Owner shall receive within ten (10) calendar days after

written request therefor is given, any Government Document, Litigation Document or Amendment to the Condominium Documents in accordance with subsection H-7.14 below.

The Commercial Board Members shall be authorized to so complete, sign and return such Government Document, Litigation Document and Amendment on behalf of the Condominium Board. Each Commercial Unit Owners will also have the right to sign documents of the Building Department and other Governmental Authorities which are applicable to the Maintenance, Repair, Alteration or Operation of the Owner's Commercial Unit.

H-7.12.3. Payments and Indemnity: The applicable Commercial Unit Owner shall:

(a) pay or reimburse the Condominium Board for the governmental fees and charges or court costs in connection with a Government Document or Litigation Document, respectively, executed by the Condominium Board at the request of such Unit Owner; and

(b) indemnify the Condominium Board, its officers and Board Members, employees and agents, and all other Unit Owners from and against all Claims arising or resulting from: (b-1) the execution by the Condominium Board of a Government Document, Litigation Document or an Amendment to the Condominium Documents; (b-2) access to, from, through, across and on the General Common Elements and Residential Limited Common Elements under clause "(a)" of the preceding subsection H-7.12.2; or (b-3) any other action performed, taken or omitted at the request such Unit Owner.

H-7.13. Indemnity and Self-Help. If the Condominium Board violates any of its duties, obligations or requirements under the Condominium Documents:

(a) the Condominium Board shall indemnify the Commercial Unit Owners from and against all Claims and Liabilities and Expenses arising or resulting therefrom; and

(b) (if such violation adversely affects the Operation or the business conducted in one or more of the Commercial Units, or any of the rights, powers, easements, licenses, privileges, exemptions, indemnities, remedies, protections or other benefits of the Commercial Unit Owners) the Commercial Unit Owners shall each have the right (**"Right of Self-Help"**), but will not be obligated, to perform or fulfill such defaulted duty, obligation or requirement, at the Cost and Expense of the Condominium Board, after complying with the following: (b-1) written notice (**"Self-Help Notice"**) of intention to exercise the Right of Self-Help must be given to the Condominium Board; and (b-2) the Condominium Board shall have the opportunity to cure the violation, but must begin to cure same within ten (10) calendar days and must complete the cure within thirty (30) calendar days or (if not capable of completion with reasonable diligence within thirty (30) calendar days) a reasonable period not to exceed ninety (90) calendar days (all such time periods to start on giving the Self-Help Notice).

For example, if the Condominium Board unduly delays or fails to repair water leaks into a Commercial Unit from Building Walls or other portions of the Common Elements, the Owner of the affected Unit may exercise such Right of Self-Help in compliance with the foregoing.

In the event the Condominium Board elects not to, or fails to timely, cure the violation and the Right of Self-Help is exercised, the Condominium Board shall pay or (at the option of the applicable Commercial Unit Owner) reimburse such Owner, promptly after written demand is made, for the Costs and Expenses incurred by such Owner to cure the violation. The demand notice shall be accompanied by a detailed statement of the Costs and Expenses together with copies of all supporting or relevant bills. If full payment of such Costs and Expenses is not received by such

Unit Owner within ten (10) calendar days after giving the demand notice, the Condominium Board shall pay such Owner, for lost opportunity of potential earnings thereon, per diem interest on the amount owed at the yearly rate of ten percent (10%) (computed from the first day following the ten (10) calendar day period through the date payment is received) together with all Costs and Expenses of collection of the amount owed.

H-7.14. Amendments to Condominium Documents. The Commercial Unit Owners shall each have the right from time to time, Freely and Without Consent, Payment or Restriction (including without the consent or approval of the Condominium Board or other Unit Owners) to amend the Condominium Documents to reflect a change in the size or number of such Owner's Commercial Unit and the reallocation of the Common Interest in connection with such change, provided such reallocation will not change the Common Interest of any other Unit without the written consent of such other Unit Owner and, provided further, the total of the Common Interests being reallocated shall remain the same. In addition, Sponsor (as Owner of the Commercial Units) or (at the option of Sponsor) the Commercial Board Members shall have the right, Freely and Without Consent, Payment or Restriction (including without the consent or approval of the Residential Board Members and the Residential and Storage Unit Owners) to amend (i.e., add, modify, change and/or repeal) provisions of the Declaration or By-Laws concerning: the governance (including the election, appointment, designation, removal or replacement of the Commercial Board Members), Operation, use, sale, transfer, rental, granting of licenses and easements, mortgage or other Disposition of only the Commercial Units.

The Declaration, By-Laws and Rules and Regulations may not be amended to adversely affect the special rights, powers, easements, licenses, privileges, exemptions, indemnities, remedies, protections or other benefits of the Commercial Unit Owners without obtaining the prior written Discretionary Approvals or Consents of the Commercial Unit Owners in each instance.

H-7.15. Building Walls. Building Walls enclosing or bordering the Residential Space are a part of the Residential Limited Common Elements and the Costs and Expenses to Maintain, Repair and otherwise Alter such Building Walls shall be part of the Residential Common Expenses allocated, assessed and apportioned to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests. All Work to be undertaken affecting such Building Walls shall be determined by the Condominium Board. However, the Owners of Commercial Units 1 and 2 shall exclusively control and make all determinations concerning the timing, duration and manner of performance of all Work involving or affecting such Building Walls, including any sidewalk bridge, scaffolding or other structure, or a scaffold hanging from the Building's Roof (collectively "**Sidewalk Structure**") to be erected and all other incidental Work related to such Building Walls.

Such determinations shall include the following: (a) choosing the contractors and approving all subcontractors engaged in the Work, but subject to obtaining the prior written Reasonable Approval or Consent of the Condominium Board; (b) approving the terms of all contracts for such Work, which are to be made in the name of, and signed by, the Condominium Board or (at the exclusive option and discretion of said Commercial Unit Owners) shall be executed by said Commercial Unit Owners on behalf, in the name and for the account of the Condominium Board, subject to obtaining the prior written Reasonable Approval or Consent of the Condominium Board; (c) the commencement date and duration of the Work, except that in the case of an emergency requiring immediate remedial action to avoid bodily injury or substantial property damage, the Work is to commence with reasonably prompt diligence as required by the circumstances; (d) the progress of the Work, which is to be under the exclusive supervision of the Commercial Unit Owners; and (e) the Signage on the Sidewalk Structure for each store or tenant of Commercial Units 1 and 2 affected by the Sidewalk Structure (each Sign is to be of such size, material,

fabrication, color, composition and appearance as shall be determined exclusively by the applicable Owner of the affected Commercial Unit or at such Owner's sole option, the affected tenant(s) of said Commercial Unit), which is to be designed, fabricated, installed and removed at the sole Cost and Expense of the Condominium Board as part of the Residential Common Expenses allocated, assessed and apportioned to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests. The Commercial Unit Owners shall receive no compensation in connection with the foregoing, but all out-of-pocket Costs and Expenses incurred or paid by said Commercial Unit Owners to unrelated third parties with respect thereto shall be paid by the Condominium Board (if so directed by said Commercial Unit Owners) or (if paid by the Commercial Unit Owners) reimbursed to such Commercial Unit Owners by the Condominium Board promptly following written demand accompanied by copies of bills or other appropriate proof of payment or other proof of such Costs and Expenses (as applicable). Any dispute with respect to these provisions shall be submitted to arbitration pursuant to Article 19 of the By-Laws.

H-7.16. Sidewalks. The Immediately Adjacent Sidewalks to each of Commercial Units 1 and 2 shall be for the exclusive use and benefit of the respective Owners of such Commercial Units to the full extent permitted by Law for a property owner. Each such Commercial Unit Owner shall have the right, Freely and Without Consent, Payment or Restriction, to assign, transfer, lease and/or license such exclusive use and benefit of said Immediately Adjacent Sidewalks to its Commercial Unit to one (1) or more tenants or occupants of all of part of the Owner's Commercial Unit. All Sidewalk Cleaning Obligations and Sidewalk Repair Obligations with respect to the Immediately Adjacent Sidewalks to the Building (including said Commercial Units) will be performed and paid by the Condominium Board as a General Common Expense, which shall be allocated and assessed to all Unit Owners and apportioned among them Pro Rata to their respective Common Interests. The Sidewalk Cleaning Obligations and the Sidewalk Repair Obligations shall be performed by the Board in a manner that shall not unnecessarily prevent or unreasonably and materially interrupt or interfere with the permitted uses of the Immediately Adjacent Sidewalks to each of Commercial Units 1 and 2 by its Owner and such Owner's Permitted Tenants/Occupants/Invitees However, all Signs, objects, structures, extensions or enclosures erected or installed on, in or under the Immediately Adjacent Sidewalks by the Owner or a tenant of said Commercial Unit shall be Maintained and Repaired by, and at the sole Cost and Expense of, said Commercial Unit Owner (unless so performed by a tenant of said Commercial Unit). In addition, all Repairs to the Immediately Adjacent Sidewalks necessitated by such erections or installations, or the Maintenance, Repair or Alteration thereof, shall be performed by, and at the sole Cost and Expense of, said Commercial Unit Owner (unless so performed by a tenant of said Commercial Unit). See Section B, subsection "B-5.9 Sidewalks" for further discussion.

END OF SECTION H

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SECTION I. CHANGES IN PRICES AND UNITS

I-1. Changes in Offering Prices. The offering prices set forth in SCHEDULE A (in Section E above) may be changed by Sponsor from time to time, in Sponsor's sole and absolute discretion, in accordance with the following. Sponsor must change the offering prices by a duly filed Amendment to the Plan when the change in price is an across the board increase or decrease affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual Purchaser. In all other cases, individual offering prices may be decreased by Sponsor without filing an Amendment to the Plan. The Condominium Board, Unit Owners and Purchasers shall not have the right to approve the offering prices or any changes in offering prices, whether before or after the First Closing of a Residential Unit. No change in offering price will affect the Purchase Price stated in a fully executed and delivered Purchase and Sale Agreement.

I-2. Offering Prices and Price-Related Terms are Negotiable. Offering prices and other price related terms are negotiable on an individual basis, except Sponsor may not change the trust fund and escrow provisions of the Purchase and Sale Agreement or any other provisions in violation of Article 23-A of the General Business Law or Part 20 of the regulations issued by the Department of Law. In addition, Sponsor may not modify a Purchase and Sale Agreement to waive Sponsor's obligations or representations in the Plan or to reduce or abridge any rights Purchasers may have under said Article 23-A.

The following is a sample of negotiable price-related terms, in addition to the Purchase Price: the amount of the contract Deposit; the right to cancel the Purchase and Sale Agreement and recover the Deposit if a Purchaser is unable to obtain financing or close by a specified date; the Closing Date and the minimum period required to fix a new Closing Date following an adjournment; free upgraded appliances, fixtures or equipment; free alterations, additions or other improvements to the Unit; waiver of Closing costs and/or penalties for Closing late; longer time periods to pay or perform obligations under the Purchase and Sale Agreement; elimination of "time of the essence" provisions; Sponsor financing (which must be disclosed in the Plan or an Amendment); paying Purchaser's lender to buy down the interest rate; Purchase Price or Common Charge rebates or a buy-back (which must be secured by a letter of credit or other security); Sponsor paying or guaranteeing Common Charges and/or real estate taxes for a given period; allowances or credits against the Purchase Price for decorations, rent paid under an interim lease for the Unit or otherwise; rent abatements or reductions under an interim lease for the Unit; consent to harboring pets, or combining two (2) Units, or incorporating a portion of an adjacent hallway in the Unit, or installing a whirlpool bathtub or other appliances or fixtures; and giving a Purchaser the benefit of any more favorable terms offered or given to another Purchaser.

Prospective Purchasers are not limited to this list and may negotiate for any other price-related terms. Sponsor is not required, however, to sell any Unit at a price or on other terms more favorable than those stated in this Plan or an Amendment to the Plan.

I-3. Impact of Changes on Other Purchasers. No changes in prices or price-related terms will change or otherwise affect the Purchase Price or price-related terms under Purchase and Sale Agreements with other Purchasers. Purchasers will not benefit from a more favorable price or price-related terms offered or given to other Purchasers or prospective Purchasers and will not be excused from Purchaser's obligation to timely consummate the Closing of Title, without a Purchase Price abatement, set-off or adjustment, and without recourse against Sponsor or the Selling Agent. As a result, a Purchaser may pay more or less than another Purchaser for a comparable Unit.

I-4. Changes in Units. In order to meet the possible demand for Units of different sizes and/or configurations, or to meet particular requirements of Purchasers or prospective Purchasers, or for

any other reason, Sponsor reserves the right from time to time, both before and after the First Closing of a Residential Unit, Freely and Without Consent, Payment or Restriction, other than the restrictions set forth in subsections I-5 and I-6 below, to make the following changes to Units, including Residential Units for which no Purchase and Sale Agreement is in effect or whose Purchasers have consented in writing to the changes (collectively, "**Unit Changes**" and individually, "**Unit Change**"):

(a) to subdivide the Unit ("**Unit Subdivision**") and establish new boundary walls separating the Units established on such Unit Subdivision;

(b) to combine all or portions of two (2) or more Units ("**Unit Combination**") and to incorporate walls, floors, ceilings or other portions of the Common Elements (where entire Units are combined into one (1) Unit) or to establish new boundary walls, floors and/or ceiling or other portions of the Common Elements (where portions of Units are combined);

(c) to raze, move and relocate the boundary walls, floors and/or ceilings of the Unit to incorporate a portion of the Common Elements, including: an adjacent hallway or space between the Unit and a neighboring Unit or walls, floors, ceilings, unimproved air space or other portions of the Common Elements ("**Unit Expansion**");

(d) to Alter the Unit ("**Unit Alteration**"), including to change the number of rooms and bathrooms and the layout and configuration of the Unit; and

(e) to change the description ("**Description Change**") of portions of the Unit and the affected Common Elements involved in a Unit Change so that such applicable portions of the Common Elements become part of the Unit and/or portions of the Unit become Common Elements.

I-5. Compliance with Part 20. All Unit Changes shall comply with Part 20, Section 20.3(k), which requires that:

(a) no change will be made in the size or number of Units and/or their respective percentages of Common Interest, and no material change will be made in the size or quality of Common Elements, except by Amendment to the Plan and, when applicable, to the Declaration;

(b) unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if a Purchase and Sale Agreement has been executed and delivered to Sponsor for that Unit and the Purchaser is not in default; and

(c) no material change will be made in the size and no material adverse change will be made in the quality of Common Elements unless all then existing Purchasers consent in writing thereto.

I-6. Terms of Unit Changes. All Unit Changes must comply with the following terms and requirements:

(a) each Unit Change to an Unsold Residential or Storage Unit or to a Commercial Unit may be made Freely and Without Consent, Payment or Restriction (i.e., (a-1) without the approval or consent of the Condominium Board or other Unit Owners, but subject to compliance with Part 20, Section 20.3(k) as set forth in the preceding subsection I-5); (a-2) without entering into any agreement or complying with any regulations, rules or other requirements of the Condominium Board for Alterations or changes to Units, but subject to compliance with applicable Laws and Work Requirements (see clause (c) below); (a-3) without paying any kind

of fee or other charge of the Condominium Board or its Managing Agent, attorneys, architect, engineer or other professional; and (a-4) without the plans and specifications of the proposed Unit Change being submitted to, or reviewed by, the Condominium Board or an architect, engineer or other professional chosen by the Condominium Board), other than those requirements expressly stated herein;

(b) a Unit Change incorporating or otherwise affecting the Common Elements shall be reflected in an Amendment to the Declaration and/or Floor Plans, if and to the extent required by the Condominium Act;

(c) each Unit Change shall be performed in compliance with all applicable Laws (including obtaining all work permits required by Law) and the other applicable Work Requirements set forth in the Declaration, including that: (c-1) the Work be performed in a manner that does not impair or threaten the Structural Components or structural integrity of the Building or the life, health or safety of Unit Owners, and is not an unreasonable annoyance or nuisance to Unit Owners; (c-2) Sponsor shall assume full responsibility for the Work, including the performance, Maintenance and Repair of the Equipment and Installations involved in the Work, the failure of the proper and efficient performance, function, capacity and utility of any Equipment and Installations affected by the Work, the waterproofing of any portion of the Building structure directly or indirectly affected by the Work, and plumbing leaks and damage to another Unit or the Common Elements caused by the Work; and (c-3) Sponsor shall not permanently diminish or adversely affect the proper and efficient performance, function, capacity and utility of another Owner's Unit or the Common Elements serving another Unit (see "Section 15.2 Work Requirements" of the Declaration for full discussion);

(d) a Unit Change shall not: (d-1) prevent legal access by another Unit Owner to the public stairs, the elevators, the lobby, the Building entrance or the street; or (d-2) unreasonably impair or interfere with any Equipment or Installations serving another Unit;

(e) any public or common areas of the Common Elements incorporated in a Unit (other than boundary walls, floors and ceilings) shall remain part of the Common Elements, but its use will be completely limited or restricted to that Unit only or (at the option of Sponsor in the case of its Unsold Units, or with the Reasonable Approval of the Condominium Board in the case of Sold Residential Units only) shall become part of such Unit;

(f) the Condominium Documents shall be amended to subdivide a Unit or to combine a Unit with all or part of another Unit or (if required by the Condominium Act) to effectuate a Unit Expansion;

(g) the Owner of a Unit involved in a Unit Subdivision, Unit Combination or Description Change or (if required by the Condominium Act) a Unit Expansion or Unit Alteration, at the sole Cost and Expense of such Owner, shall prepare and duly sign and acknowledge the required Amendment to the Declaration and (if required by the Condominium Act) an architect selected by such Owner shall prepare, certify and duly sign and seal the required Amendment to the Condominium's Floor Plans;

(h) these Amendments to the Condominium Documents may be made: (h-1) in the case of an Owner of an Unsold Residential or Storage Unit, or a Commercial Unit (including Sponsor or its designee), without approval or consent of the Condominium Board or other Unit Owners and without the execution thereof by the members or officers of the Condominium Board; or (h-2) in the case of a Sold Residential Unit Owner (other than an Authorized First Sold Residential Unit

Owner), subject to obtaining the Reasonable Approval of the Condominium Board and the execution thereof by the members or officers of the Condominium Board;

(i) in the case of a Unit Subdivision: (i-1) the applicable Unit Owner shall apportion the Common Interest of the original Unit among the Units ("**New Units**") established on the Unit Subdivision in accordance with the Condominium Act (subject to obtaining the Reasonable Approval of the Condominium Board in the case of a Sold Residential or Storage Unit, but not an Unsold Residential or Storage Unit, or a Commercial Unit, as to which no consent or approval of the Board or other Unit Owners shall be required); and (i-2) the total of the Common Interests of the New Units must equal exactly the Common Interest of the original Unit being subdivided;

(j) in the case of Unit Combination: (j-1) where entire Units are combined into a single Unit, the Common Interest of the resulting combined Unit shall equal exactly the total of the Common Interests of all Units involved in such Unit Combination; or (j-2) where a portion of a Unit is combined with another Unit: (j-2.1) the Common Interest of the original Unit being subdivided shall be apportioned by its Owner between the remaining portion of such Unit and the resulting combined Unit in accordance with the Condominium Act (subject to obtaining the Reasonable Approval of the Condominium Board in the case of a Sold Residential Unit, but not an Unsold Residential or Storage Unit, or a Commercial Unit, as to which no consent or approval of the Board or other Unit Owners shall be required); and (j-2.2) the total of the Common Interests of the remaining portion of such Unit and resulting combined Unit shall equal exactly the total of the Common Interests of the original Units involved in such Unit Combination; and

(k) in each case, the required amendment to the Declaration shall reflect a Unit Subdivision or a Unit Combination or a Description Change or (if required by the Condominium Act) a Unit Expansion or Unit Alteration and the resulting changes in Common Interests (if and when required by the Condominium Act).

I-7. Rights of Owners of Unsold Units and Commercial Units. The respective Owners of Unsold Residential and Storage Units, and the Commercial Units, shall each have all of the same Sponsor's Rights with respect to such Owner's Unit as Sponsor has with respect to Units owned by Sponsor under this Plan (including the right to make all Unit Changes in accordance with this Section I), the Declaration and By-Laws, but subject to all of the same restrictions and limitations imposed on Sponsor, including compliance the Part 20, Section 20.3(k) (see subsection I-5 above) and the Terms of Unit Changes (see subsection I-6 above).

END OF SECTION I

SECTION J. INTERIM LEASES

J-1. Sponsor's Exclusive Option to Rent to Purchaser. Sponsor has the exclusive option to enter into a lease with the Purchaser of the Unit for the interim period prior to the Closing of Title under the Purchase and Sale Agreement ("**Interim Lease**"), provided a temporary or permanent Certificate of Occupancy of the Building has been issued authorizing such Unit for use as a dwelling when occupancy is to begin. Unless Sponsor elects to so lease the Unit, Purchaser will not have the right to rent, use, occupy, decorate, Alter or store belongings or other personal property in the Unit prior to the Closing. If no Interim Lease is offered to Purchaser when Purchaser signs and delivers the Purchase and Sale Agreement, Purchaser will not have the right, nor be obligated, to rent the Unit and Sponsor will not lease or rent the Unit to anyone else while Purchaser's Purchase and Sale Agreement remains in effect.

J-2. No Rent Laws Applicable to Interim Lease. No laws regulating rent or continued occupancy are applicable to the Residential Units or an Interim Lease. As a result, if a Unit is leased, the rent will not be subject to any rent limitations or laws regulating rents and shall be a "free market", unregulated rent as determined by Sponsor, in its sole and absolute judgment.

J-3. Cross-Default Provision. The Interim Lease will be on Sponsor's standard form and will provide that a default under the Purchase and Sale Agreement shall automatically be a default under the Interim Lease and the Purchaser, as tenant under the Interim Lease ("**Interim Tenant-Purchaser**"), shall have only the single grace period stated in the Purchase and Sale Agreement to cure the default under both instruments. As a result, if the default under the Purchase and Sale Agreement is not timely remedied within the applicable cure period and the Purchase and Sale Agreement is cancelled, the Interim Lease shall simultaneously be cancelled. See subsection J-4 below for further discussion.

The Purchase and Sale Agreement (Document 1 in Part II of the Plan) contains a similar cross-default provision and the single grace period stated in the Interim Lease to cure the default under both the Interim Lease and the Purchase and Sale Agreement. Pursuant to this provision, a default under the Interim Lease is a default under the Purchase and Sale Agreement, but Sponsor may not cancel the Purchase and Sale Agreement based on a default under the Interim Lease unless Sponsor obtains an order of eviction or other judgment or order of possession of the Unit from a court of competent jurisdiction or the Interim Tenant-Purchaser vacates the Unit. Effective on the date such order of eviction is issued or the Unit is vacated (as applicable), the Purchase and Sale Agreement will be cancelled and Sponsor shall be entitled to receive and retain Purchaser's Deposit and any earned interest thereon and certain other amounts, if applicable, as discussed in Section K, subsection K-5(a) below) without giving the Interim Tenant-Purchaser any further grace period to cure the default under the Purchase and Sale Agreement.

J-4. 30 Days to Vacate. If the Purchase and Sale Agreement is cancelled based on an uncured default or Sponsor's election to abandon or withdraw the Plan, or the exercise of a right of rescission under the Purchase and Sale Agreement or the Plan or an Amendment, the Interim Tenant-Purchaser shall have only 30 calendar days from cancellation or rescission of the Purchase and Sale Agreement within which to vacate and surrender vacant possession of the Unit to Sponsor, free of all occupants, furniture, furnishings, household items and personal belongings, broom clean, and in the same condition as existed at the start of the Interim Lease (reasonable wear and tear excepted). Pending such surrender of vacant possession, the Interim Tenant-Purchaser shall pay Sponsor for use and occupancy a sum equal to the rent stated in the Interim Lease, appropriately prorated for the period beginning with the date of cancellation of the Interim Lease and ending on the date of surrender of vacant possession. Upon surrender of

vacant possession in accordance with the foregoing, any unapplied security deposited under the Interim Lease will be returned to the Interim Tenant-Purchaser together with any interest earned thereon. Sponsor will have the right to deduct and retain from such security deposit, any unpaid rent, any unpaid use and occupancy amount and any Costs and Expenses incurred to repair any damage to the Unit (including its contents) and the Common Elements resulting from the acts, omissions or negligence of the Interim Tenant-Purchaser, or his or her family, agents or contractors, and to restore them to their former condition.

SPECIAL RISK: The 30 calendar day period to surrender vacant possession is a "TIME OF THE ESSENCE", or deadline, period. If the Interim Tenant-Purchaser fails to timely surrender vacant possession before the 30 calendar day period expires, the Interim Tenant-Purchaser shall also be liable for all Costs and Expenses incurred by Sponsor for the delay and to recover vacant possession, including: (a) reasonable legal fees and disbursements, court costs and litigation expenses; (b) carrying costs of the Unit (i.e., a sum equal to the projected or actual Common Charges and real estate taxes for the Unit (as applicable), plus the Unit's allocable share (based on Common Interest) of the debt service on any mortgage on the Unit or Property (as applicable), less rent or use and occupancy for the Unit actually collected by Sponsor; and (c) per diem interest on the Unit's Purchase Price at the rate of 10% per annum, prorated for the period beginning with the last day of said 30 calendar day period and ending on the date Sponsor recovers vacant possession of the Unit, to reimburse Sponsor for loss of potential earnings on the value of the Unit (as represented by the Unit's Purchase Price). Sponsor will also have the right to deduct and retain these Costs and Expenses from said security deposit (if any) given under the Interim Lease and (in the case of a recision of the Purchase and Sale Agreement by the Interim Tenant-Purchaser) the Deposit monies otherwise to be returned to the Interim Tenant-Purchaser.

END OF SECTION J

SECTION K. PROCEDURE TO PURCHASE

This section describes the procedure to purchase a Unit and the essential terms of the Purchase and Sale Agreement. The documents indicated are reproduced in Part II of the Plan.

K-1. Procedure to Purchase. To purchase a Unit, the purchase procedure outlined below is to be followed.

K-1.1. Purchase Documents. The purchase documents to be completed, signed, notarized (where indicated) and returned by Purchaser to Sponsor's attorneys are as follows:

(a) Purchase and Sale Agreement: Purchaser is to complete information on the first page, sign and return four (4) originals of the Purchase and Sale Agreement on the form reproduced as DOCUMENT 1;

(b) Purchase Application: Purchaser is to complete, sign and return one (1) Purchase Application on the form reproduced as DOCUMENT 1A;

(c) 10 Day Lead-Based Paint Notice: Purchaser is to complete, sign and return two (2) originals of the 10 Day Notice to inspect for lead-based paint on the form reproduced as DOCUMENT 1F;

(d) Lead-Based Paint Disclosure Form: Purchaser is to complete, initial where indicated, sign and return five (5) originals of Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards on the form attached as EXHIBIT C to the Purchase and Sale Agreement; and

(e) IRS Form W-8 or W-9: If Purchaser is not subject to back-up withholding rules, Purchaser is to complete, sign and deliver one (1) Internal Revenue Service ("**IRS**") Form W-8 "Certificate of Foreign Status" (if Purchaser is a non-resident alien or foreign entity) or Form W-9 "Request for Taxpayer Identification Number and Certification" (if Purchaser is a United States citizen or resident alien).

The Selling Agent will provide copies of these documents to prospective Purchasers for execution and will be available to assist prospective Purchasers and to answer questions as to completing these documents.

NOTE: The Unit Deed and Closing documents must match exactly the name or names of Purchaser as signed on the Purchase and Sale Agreement. If legal ownership of a Unit is to be in the name of two (2) individuals (e.g., husband and wife), both must sign the Purchase and Sale Agreement, unless the Purchaser is permitted to assign or transfer the Purchase and Sale Agreement. This Plan limits and restricts Purchaser's right to assign or transfer the Purchase and Sale Agreement (see subsection K-18 below for discussion).

K-1.2. Deposit. Purchaser is to pay a sum equal to 10% of the Purchase Price ("**Deposit**") when signing and delivering the Purchase and Sale Agreement.

K-1.3. Balance of Purchase Price. The balance of the Purchase Price ("**Balance**") is to be paid after the Filing of the Effectiveness Amendment and at Closing of Title under the Purchase and Sale Agreement.

K-1.4. Instruments. The Deposit is to be paid by good personal check of Purchaser (non-party checks are prohibited) and the Balance must be paid by certified personal check of Purchaser, or official cashier's or bank check (see paragraph 10 of the Purchase and Sale Agreement for additional details). All checks for the Deposit and Balance must be drawn on (and payable by) a member bank of the New York Clearing House Association, unendorsed and made payable to the direct order of the following party:

(a) for the Deposit: *"Mandel Resnik Kaiser Moskowitz & Greenstein P.C. as Escrowee for 130 West 30th Street Plan"*; and

(b) for the Balance: *"130 WEST 30TH, LLC"* or such other payee(s) as Sponsor may specify on prior notice to Purchaser.

K-1.5. Where and When Delivered. The Purchase and Sale Agreement, the other purchase documents listed in subsection K-1.1 above, and the check for the Deposit, are to be delivered or sent together to Sponsor's attorney, Mandel Resnik Kaiser Moskowitz & Greenstein P.C., at 220 East 42nd Street, New York, NY 10022, Attn: Alan L. Kazlow, Esq. (or such other attorney or legal assistant as may be directed).

K-1.6. Special Work Payment. If any special work ordered by a Purchaser is itemized in the Purchase and Sale Agreement or a rider or modification thereto, any payment by said Purchaser for such special work shall be paid to Sponsor or (if paid to Sponsor's attorneys) released by Sponsor's attorneys and paid to Sponsor for application to the special work, unless otherwise agreed in writing by Sponsor and said Purchaser. SPECIAL RISK: If the Purchase and Sale Agreement is cancelled following Purchaser's exercise of a right to rescind or cancel and the Deposit is returned to Purchaser, the special work payment will be refunded to Purchaser if, and only to the extent, such payment exceeds the actual Costs and Expenses paid or incurred to perform said special work and to restore the Unit to its condition existing before undertaking the special work (see Section A, subsection A-5 above).

K-2. Statutory Requirement. Sponsor shall comply with the escrow and trust fund requirements of GBL Sections 352-e(2-b) and 352-h, Lien Law Section 71-a(3), and Part 20 of the Attorney General's regulations, and all funds paid by Purchasers shall be handled in accordance with these statutes and regulations.

K-3. Escrow; Trust Fund. The following requirements apply to this offering:

K-3.1. The Account. All Deposits, downpayments, or advances made by Purchasers on account of the Purchase Price prior to Closing of each individual transaction, whether received before or after the date of consummation of the First Closing of a Residential Unit under the Plan, must be placed within five (5) business days after the Purchase and Sale Agreement is signed by all necessary parties, in an attorney's segregated special escrow account in a bank doing business in the State of New York which account is covered by federal bank deposit insurance. SPECIAL RISK: Deposits in excess of $100,000 will not be federally insured in excess of $100,000 (see Section A, subsection A-3). Purchaser assumes the risk of any losses resulting from failure of the Depository, and will not have any recourse against Sponsor, Selling Agent or escrow agent based thereon. An attorney designated by Sponsor shall open and maintain such account in his or her own name, or in the name of a firm of attorneys of which he or she is a member, or in the name of the attorney or firm of attorneys by whom he or she is employed, separate from such attorney's personal accounts or from any accounts in which assets belonging to the firm are deposited, and separate from any accounts maintained in the capacity of executor, guardian, trustee or receiver. A master escrow account with a sub-account for each Purchaser

shall be maintained under this Plan. The name of the master escrow account is "*Mandel Resnik & Kaiser P.C. Escrow Account*". The master escrow account is maintained at Citibank Private Bank ("**Depository**"), at its branch at 153 East 53rd Street, New York, NY. The master escrow account number is [redacted] Funds from this account may be released only by signature of the attorney who is named as Escrow Agent (see subsection K-3.3 below). Neither Sponsor nor any principal of Sponsor is a signatory on the account. Funds must be placed in an interest-bearing account, with all interest credited to the Purchaser, unless the Purchase and Sale Agreement is cancelled based on an uncured default of Purchaser and the First Closing of a Residential Unit under the Plan is consummated. The account is not an Interest-on-Lawyer's-Account ("**IOLA**") pursuant to Judiciary Law Section 497. The interest rate to be earned will be the prevailing rate for such accounts. The prevailing rates on January 30, 2003 for deposits of: up to $99,999 was 0.55%; $100,000 to $499,999 was 0.70%; $500,000 to $999,999 was 0.80%; and $1,000,000 or above was 1%. This rate will fluctuate from time to time in accordance with the Depository's prevailing rate, as to which no representation or assurance is made nor guarantee given. Interest will begin to accrue when Purchaser's check for the Deposit is deposited and collected by the Depository. If, however, the Deposit check is not accompanied by IRS Form W-8 or W-9 (as applicable), the Deposit check will be deposited in an IOLA account of escrow agent pending receipt of the requisite IRS Form. No interest will be credited or paid to Purchaser while the Deposit is in the IOLA account. No fees of any kind may be deducted from the account principal or any interest earned thereon. Sponsor shall bear any administrative cost for maintenance of the account.

K-3.2. Payments. All funds received from Purchasers on account of the Purchase Price, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be made payable to the direct order of Mandel Resnik Kaiser Moskowitz & Greenstein P.C. as escrow agent, as set forth more fully in subsection K-1.4 above.

K-3.3. The Escrow Agent. The principals of escrow agent are attorneys admitted to practice in the State of New York. The escrow agent is independent of Sponsor, although the escrow agent is entitled to, and will, receive compensation from Sponsor for acting as such and may receive, or previously been paid, compensation from Sponsor or Sponsor's principals for legal services rendered. The principal of escrow agent under this Plan is an attorney admitted or practicing in the State of New York and must comply with the Appellate Division rules for the preservation of client funds of the Judicial Department having jurisdiction over the attorney. No principal of Sponsor is a member of, or employed by, the escrow agent. Only an attorney acting as escrow agent shall be a signatory on the escrow account and only such attorney shall be authorized to release funds. The name, address and telephone number of the escrow agent under this Plan are as follows: Mandel Resnik Kaiser Moskowitz & Greenstein P.C., 220 East 42nd Street, New York, New York 10017, telephone number (212) 573-0000. The only attorneys who are signatories on the account are Richard M. Resnik, Esq., Barry H. Mandel, Esq., Nicholas J. Kaiser, Esq., Robert W. Freiman, Esq., Ivan W. Moskowitz, Esq., Dennis H. Greenstein, Esq., Elizabeth D. Schrero, Esq., Lorrie B. Franco, Esq. and David M. Monachino, Esq., officers of escrow agent.

K-3.4. Escrow Agreement. The escrow agent and Sponsor have entered into an escrow agreement for the holding and disposition of funds deposited by Purchasers on account of the Purchase Price (see DOCUMENT 1D in Part II). The agreement is not the model form of the Department of Law, but complies with all material terms of such model form. The escrow agreement includes: (a) disclosures set forth in this subsection K-2 and this subsection K-3; (b) an indemnity by Sponsor in favor of escrow agent for payment by Sponsor of all "Claims and Expenses" (as defined in the escrow agreement) arising out of escrow agent's duties or services, other than those based on escrow agent's gross negligence or willful

misconduct; (c) a provision releasing and discharging escrow agent's obligations by Sponsor upon payment of the escrowed funds and interest earned thereon in accordance with Part 20 of the Attorney General's regulations; (d) the right of escrow agent to represent Sponsor in any Lawsuit, whether or not related to the escrowed funds or a Purchase and Sale Agreement, and irrespective of escrow agent being in possession of the escrowed funds; and (e) a provision for Sponsor to compensate escrow agent for acting in such capacity. See DOCUMENT 1D for these and other important provisions of this escrow agreement.

K-3.5. Notification to Purchaser. Within ten (10) business days after "tender" of the Deposit submitted with the Purchase and Sale Agreement, the escrow agent shall notify the Purchaser that such funds have been deposited in the bank indicated in this Plan, and provide the account number, and the initial interest rate. The term "**tender**" means the date delivered by hand or five (5) calendar days after being sent by mail, properly addressed, postage prepaid. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Deposit, he or she may cancel the purchase and rescind within ninety (90) calendar days after tender of the Deposit, or may apply to the Attorney General for relief. The 90 days to cancel is a "TIME OF THE ESSENCE" or deadline period after which Purchaser may not cancel based on lack of timely notice of deposit in the escrow account. Rescission will not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with Part 20 of the Attorney General's regulations and requisite notice was timely mailed to the Purchaser.

K-3.6. Escrow Revisions. Before funds are transferred to a new escrow account, or if the escrow agent is replaced, the Plan must be amended to provide the same full disclosure with respect to the new account, the escrow agent and the escrow agreement as was originally provided. A bond, letter of credit or other security shall not be substituted for the escrow account.

K-3.7. Release of Funds. The requirements and procedures for the release of the escrowed funds, include the following:

(a) Under no circumstances shall Sponsor apply for release of the escrowed funds of a defaulting Purchaser until after consummation of the First Closing of a Residential Unit under this Plan. Consummation of the Plan does not relieve Sponsor of its obligations pursuant to GBL Section 352-h.

(b) The escrow agent shall hold the funds in escrow until otherwise directed in: (b-1) a writing signed by both Sponsor and Purchaser; or (b-2) a determination of the Attorney General; or (b-3) a judgment or order of a court of competent jurisdiction, or until released pursuant to paragraph (d) of this subsection.

(c) Sponsor shall not object to the release of the escrowed funds to: (c-1) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an Amendment to the Plan; or (c-2) all Purchasers after an Amendment abandoning the Plan is accepted for filing by the Department of Law.

(d) If there is no written agreement between the parties to release the escrowed funds, the escrow agent shall not pay the funds to the Sponsor until the escrow agent has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to the Sponsor unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions contained in Part 20 of the Attorney General's regulations and has so notified the escrow agent in accordance with such provisions.

K-3.8. Disputes. In the event of a dispute, the following shall apply:

(a) Sponsor shall apply and the Purchaser or the escrow agent holding the Deposits in escrow may apply to the Attorney General for a determination on the disposition of the Deposit and any interest earned thereon (escrow agent may also apply to a court as a stakeholder and submit the Deposit or the disputed portion into court as permitted by Law). Forms to apply to the Attorney General for this purpose will be available from the Department of Law. The party making such application shall contemporaneously send to all other parties a copy of such application.

(b) Pending the determination of the Attorney General to grant or deny the application, Sponsor, Purchaser and escrow agent shall abide by any interim directive issued by the Attorney General.

(c) If the application permitting release of funds is granted, the Deposit and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted.

(d) The Attorney General shall act upon the application within thirty (30) days after its submission to the Department of Law, by either making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons.

(e) If the application seeking release of funds is denied, the escrow agent shall continue to hold the Deposit and any interest earned thereon until: (e-1) both Sponsor and Purchaser direct payment to a specified party in accordance with a written direction signed by both Sponsor and Purchaser; or (e-2) a judgment or order of a court of competent jurisdiction is served on the escrow agent; or (e-3) escrow agent deposits the disputed amount into court.

(f) In no event shall the escrow agent release funds in dispute, other than a payment of such funds into court, until any dispute is finally resolved either by determination of the Attorney General or by order or judgment of a court of competent jurisdiction or by written agreement of Sponsor and Purchaser.

(g) In the event escrow agent is uncertain as to its duties or doubts the genuineness of any document or signature, escrow agent may refrain from taking any action and continue to hold the funds in the escrow account and interest until the uncertainty or genuineness is resolved or deposit them (or the amount in question) in court.

K-3.9. Exhibits to Plan. Copies of the bank forms used to open the escrow account and a copy of the escrow agreement are included in the Exhibits submitted to the Attorney General in connection with this Plan.

K-3.10. Records on File. The escrow agent shall maintain all records concerning the escrow account for seven years after release of the funds. Upon the dissolution of any law firm which was the escrow agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of them or by the successor firm and shall notify the Department of Law of such transfer.

K-3.11. Review and Audit. The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

K-3.12. Waiver Void. 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 escrow and trust fund provisions of Section 20.3(o) of Part 20 of the

Attorney General's regulations shall prevail over any conflicting or inconsistent provision in the Plan or in a Purchase and Sale Agreement.

K-3.13. Trust Obligation of Sponsor. Nothing contained herein shall diminish or impair Sponsor's statutory obligation to each Purchaser pursuant to GBL Section 352-h to hold in trust all Deposits, advances or payments on account of the Purchase Price made in connection with the offer until consummation of the transaction with such Purchaser, except payments (if any) for special work ordered by Purchaser may be paid to Sponsor or (if deposited in the escrow account) withdrawn from the escrow account and paid to Sponsor to be applied for such purposes only. Consummation of the Plan with the First Closing of a Residential Unit does not relieve Sponsor of its obligations pursuant to GBL Section 352-h. Funds from the escrow account remain the property of the Purchaser until consummation of the transaction. Such funds shall not be part of the estate of the Sponsor or the escrow agent upon any bankruptcy, incapacity or death.

K-4. Lien Law Section 71-a(3). The Purchase and Sale Agreement and this Plan must comply with Section 71-a(3) of the Lien Law and any other applicable provisions of Law. Said Section 71-a(3) provides, among other things, for the handling of the Deposit and the interest accumulated thereon as set forth in subsections K-3.1 and K-3.5 above. Such Deposit, together with the interest accumulated thereon, shall remain the property of Purchaser, except as otherwise provided in said statute.

K-5. Special Risks. The following provisions of the Purchase and Sale Agreement pose "SPECIAL RISKS" to Purchaser:

(a) the provision allowing sums in excess of 10% of the Purchase Price to be retained by Sponsor as liquidated damages, but such additional sums are limited to recovery from Purchaser of the actual Costs and Expenses incurred by Sponsor: (a-1) to perform any special work ordered by Purchaser and to restore the Unit to the condition existing before undertaking the special work, if, and only to the extent, any payment given by Purchaser to Sponsor for such special work is insufficient, (a-2) to enforce this liquidated damages provision, and (a-3) to collect amounts owed, including reasonable legal fees and disbursements, court costs and litigation expenses, but Sponsor may not seek specific performance of the Purchase and Sale Agreement (see Section A, subsection A-4);

(b) the provision requiring Purchaser to reimburse Sponsor at Closing for certain expenses and losses, if Purchaser fails to Close Title, or is at fault for not Closing Title, on the date set by Sponsor (see Section A, subsection A-15 above, and Section N, subsection N-1.1 below);

(c) the absence of a mortgage financing contingency provision, which prevents Purchaser from canceling the Purchase and Sale Agreement or recovering the Deposit based on Purchasers' inability or failure to obtain mortgage loan financing from an Institutional Lender or other source (see Section A, subsection A-8); and

(d) the "TIME OF THE ESSENCE" provisions (see subsection K-6 below).

K-6. Time is of the Essence Provisions. Provisions of the Purchase and Sale Agreement that expressly state "TIME IS OF THE ESSENCE" or similar words are absolute deadlines, which cannot be extended by Purchaser, regardless of inability or other excuse for not meeting the specified deadline. For example: (a) "TIME IS OF THE ESSENCE" for Purchaser to cure a default within a deadline of 30 days after Purchaser is given written notice of the default, which means Purchaser will lose the Deposit if Purchaser does not meet such 30 day deadline (see Section A, subsection A-4); (b) "TIME IS OF THE ESSENCE" for Purchaser to elect to cancel the Purchase and Sale Agreement within a deadline of 90 calendar days after Purchaser tenders the Deposit check if notice by escrow agent of deposit of Purchaser's Deposit check into the escrow account is

not received by Purchaser within 15 business days after tender, which means Purchaser cannot cancel based on not timely receiving notice of the deposit if Purchaser fails to meet such 90 day deadline (see subsection K-3.5 above); and (c) "TIME IS OF THE ESSENCE" for Purchaser to rescind the Purchase and Sale Agreement within a deadline of seven (7) calendar days after Purchaser signs and delivers the Purchase and Sale Agreement with the Deposit check if Purchaser is given fewer than three (3) business days to review the Plan and all filed Amendments, which means Purchaser cannot cancel based on being given too few days to review the Plan and filed Amendments if Purchaser fails to meet such seven (7) day deadline (see subsection K-11 below).

K-7. Closing Date. After the Effectiveness Amendment is accepted for filing by the Attorney General, Sponsor will fix dates for Closing of Title to all Units for which Purchase and Sale Agreements have been executed and are still in effect. Sponsor will give each Purchaser not less than 30 calendar days prior written notice of the date, time and location (in New York City) set by Sponsor for him or her to Close Title. Purchasers may waive this 30 day period and Close sooner on a date and at a time mutually convenient to Purchaser and Sponsor. After the First Closing of a Residential Unit is consummated, Purchasers and Unit Owners will be served with a Plan Amendment disclosing (among other matters) the date of the First Closing of a Residential Unit

K-8. Projected Date of First Closing. Sponsor expects the First Closing of a Residential Unit to occur on July 1, 2003, which corresponds to the projected date the first year of Condominium Operation is to begin in SCHEDULE B (in Section F above). Such projected date is only a target and is not guaranteed. If such date of First Closing of a Residential Unit is delayed by twelve (12) months or more, the Plan will be amended to offer Purchasers the right, for fifteen (15) calendar days, to rescind the Purchase and Sale Agreement and recover the Deposit, together with any earned interest and any Net Refundable Special Work Payment. Such right to rescind shall be the limit of Sponsor's liability and Purchaser's sole recourse against Sponsor (regardless of any losses or damages Purchaser may have sustained or incurred). Sponsor and Selling Agent do not assure, represent or guarantee when the actual date of First Closing of a Residential Unit may occur, which may be earlier or substantially later than such projected date, or when the actual date of Closing of Title will occur under a Purchase and Sale Agreement, which may be held substantially later than the actual date of First Closing of a Residential Unit, depending on the progress of construction, among other things.

K-9. Purchaser's 30 Day Grace Period. Sponsor must make a written demand for payment after default and allow Purchaser 30 calendar days to make the payment before Purchaser's Deposit shall be forfeited. SPECIAL RISK: Such 30 days is a "TIME OF THE ESSENCE" or deadline period. See Section A, subsection A-6 and subsection K-6 above.

K-10. Unit Owner's Power of Attorney. Each Purchaser is required to sign, acknowledge and deliver to Sponsor at Closing of Title for recording a Unit Owner's Power of Attorney (on the form reproduced as DOCUMENT 3 in Part II) in favor of the Condominium Board, Sponsor and others. The Unit Owner's Power of Attorney authorizes actions to be taken on behalf of Purchaser summarized in Part I of this Plan and permitted under the Declaration and By-Laws (see DOCUMENT 3 for full scope). Failure to execute and deliver the Unit Owner's Power of Attorney is an event of default under the Purchase and Sale Agreement.

K-11. Period to Review Plan and Amendments. At Sponsor's option, prospective Purchasers will be afforded either: (a) three (3) business days to review the Plan and filed Amendments before executing a Purchase and Sale Agreement; or (b) seven (7) calendar days after delivering an executed Purchase and Sale Agreement to rescind the Purchase and Sale Agreement and have

the full Deposit refunded promptly. In the latter case, Purchaser must either personally deliver a written notice of rescission to Sponsor or Selling Agent within the seven (7) calendar day period or mail the notice of rescission to Sponsor or Selling Agent at the address set forth on the cover page of the Plan and have the mailing post-marked within the seven (7) calendar day period. SPECIAL RISK: The seven (7) day period to rescind is a "TIME OF THE ESSENCE" or deadline period, which means that unless Purchaser timely rescinds as provided above, Purchaser may not rescind or recover the Deposit based on being given fewer than said seven (7) day period.

K-12. Risk of Loss. The risk of loss from fire or other casualty remains with Sponsor unless and until a Purchaser is given possession of a Unit pursuant to an Interim Lease whose term has begun or legal title to the Unit has passed to Purchaser, at which time (in either such case) the risk of loss shall be assumed by the Purchaser. Such Purchaser should consider obtaining, at Purchaser's expense, insurance to insure the Unit, its contents and Purchaser's personal property against such loss. See Section M, subsection M-2 for additional discussion.

K-13. Purchase and Sale Agreement. A complete copy of the Purchase and Sale Agreement is reproduced as DOCUMENT 1 in Part II of the Plan. Prospective Purchasers are urged to consult an attorney or legal adviser before executing the Purchase and Sale Agreement for a full understanding of Purchaser's rights, obligations and liabilities under the Agreement and this Plan.

K-14. No Mortgage Financing Contingency. Purchaser's obligation to purchase is not contingent on obtaining financing. See Section A, subsection A-8 above.

K-15. Plan Governs. Any conflict between the Plan and the Purchase and Sale Agreement will be resolved according to the terms of the Plan.

K-16. Sponsor's Period to Accept or Reject Purchase and Sale Agreement. Within 20 calendar days after a prospective Purchaser delivers to Sponsor, Selling Agent or Sponsor's attorney an executed Purchase and Sale Agreement together with the required purchase documents and check for the Deposit, Sponsor must either accept or reject the Purchase and Sale Agreement and (if rejected) return the full Deposit previously tendered. If Sponsor fails to sign and return a fully executed Purchase and Sale Agreement to the prospective Purchaser within such 20 day period, the Purchase and Sale Agreement will be deemed rejected and Sponsor will return the full Deposit. Until the Purchase and Sale Agreement is rejected or deemed rejected by Sponsor, Purchaser is irrevocably bound to purchase and may not revoke or cancel the Purchase and Sale Agreement or recover the Deposit. Sponsor will not be obligated to accept, nor be bound by, the Purchase and Sale Agreement unless and until Sponsor executes and delivers a fully executed Purchase and Sale Agreement to Purchaser. No inference may be drawn that Sponsor has accepted or is bound by a Purchase and Sale Agreement because (a) a prospective Purchaser is given the Plan, the Purchase and Sale Agreement or other documents, or (b) Sponsor, Selling Agent or Sponsor's attorney accepts delivery of a signed Purchase and Sale Agreement and Deposit check, or (c) a Deposit check is deposited (whether or not inadvertent).

K-17. No Waiver or Abrogation of Article 23-A of GBL. The Purchase and Sale Agreement and Plan may not contain, or be modified to contain, a provision waiving Purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the GBL.

K-18. Restriction Against Assignment. Purchaser may not assign the Purchase and Sale Agreement without obtaining Sponsor's prior written Discretionary Approval or Consent. Sponsor may (in its sole and absolute discretion) permit the Agreement to be assigned to allow Purchaser to add, delete or substitute the name of a member of Purchaser's family or to take title in the name of an Entity related to or controlled by Purchaser. If Sponsor consents to an assignment,

Sponsor's attorneys must receive at least twenty (20) calendar days prior to the date scheduled by Sponsor for Closing of Title: (a) four (4) originals of an Assignment and Assumption Agreement (on Sponsor's standard form) pursuant to which Purchaser assigns the Purchase and Sale Agreement and Deposit to the new party or parties named as Purchaser, who shall assume all of Purchaser's obligations thereunder; (b) two originals of Internal Revenue Service form W-8 or W-9 (as applicable) for the new Purchaser; and (c) an unendorsed personal check in the sum of $350, made payable to the order of Sponsor's attorneys, Mandel Resnik Kaiser Moskowitz & Greenstein P.C., for services in connection with the assignment. In no event will Purchaser be entitled to delay or postpone Closing of Title to effectuate such name change or assignment.

K-19. Events of Default. Purchaser shall be in default if:

(a) at Closing: (a-1) Purchaser fails to pay the Balance of the Purchase Price in accordance with subsection K-1.3 above; (a-2) Purchaser fails to pay Purchaser's Closing costs (see subsection N-1.1 below) or Closing apportionments, if in favor of Sponsor (see subsection N-1.4 below); or (a-3) Purchaser fails to properly sign and/or deliver the documents required under the Purchase and Sale Agreement, such as the Unit Owner's Power of Attorney (see subsection K-10 above), the Unit Deed (see DOCUMENT 3 in Part II), the New York State and City transfer tax returns, the New York State equalization and assessment form, the mortgage tax credit affidavit and the smoke detector affidavit (see paragraph 22 of the Purchase and Sale Agreement);

(b) Purchaser's check for the Deposit or any other payment under the Purchase and Sale Agreement is dishonored or fails of collection ("**failed instrument**");

(c) Purchaser becomes a tenant of the Unit under an Interim Lease and a warrant of eviction against Purchaser is issued; or

(d) Purchaser fails to pay or perform any of Purchaser's other obligations or agreements under the Purchase and Sale Agreement.

K-20. Sponsor's Remedies on Purchaser's Default. If Purchaser defaults, Sponsor may not seek specific performance of the Purchase and Sale Agreement and Sponsor's sole remedy shall be to cancel the Purchase and Sale Agreement effective at the end of 30 calendar days from giving Purchaser written notice of the default, unless Purchaser cures the default within such 30 day period. SPECIAL RISK: Such 30 day grace period is a "TIME IS OF THE ESSENCE" or deadline period. This means that if Purchaser fails to timely do so, the Purchase and Sale Agreement shall be canceled and Sponsor shall receive and retain as liquidated damages the Deposit, the interest earned thereon and the other amounts set forth in subsection K-5(a) above.

In the event of a failed instrument given in payment of the Deposit, Sponsor has the following choices: (a) to declare the Purchase and Sale Agreement null and void, in which case Sponsor shall cause the failed instrument and any other payment given under the Purchase and Sale Agreement to be returned to Purchaser; or (b) to declare Purchaser to be in default, in which case Purchaser shall have 30 calendar days from giving Purchaser written notice of the default to replace the failed instrument and to reimburse Sponsor for all Costs and Expenses incurred in connection with the failed instrument, including reasonable legal fees and expenses and bank charges. SPECIAL RISK: Such 30 day grace period is a "TIME IS OF THE ESSENCE" or deadline period. If Purchaser fails to timely cure the default, Sponsor may sue on the failed instrument and recover and retain as liquidated damages the amounts set forth above. See paragraph 22.6.c of the Purchase and Sale Agreement for full discussion.

K-21. Purchaser's Remedies on Sponsor's Default or Inability to Perform.

K-21.1. Grace Period. If Sponsor defaults, Purchaser must give Sponsor written notice of the default and allow Sponsor an opportunity to cure the default within a period of 30 days or (if not reasonably curable in 30 days) such reasonably longer period (not to exceed 90 days) from giving the default notice.

K-21.2. Remedies. If Sponsor fails to cure the default within the applicable grace period, Purchaser's sole remedy shall be either: (a) to compel Sponsor to specifically perform or (b) to cancel the Purchase and Sale Agreement and recover Purchaser's Deposit together with any interest earned thereon and any Net Refundable Special Work Payment (if and to the extent applicable). Purchaser shall be deemed to have elected to cancel and recover said sums if Purchaser fails to consummate the Closing of Title on the date set by Sponsor.

K-21.3. Sponsor's Inability. If Sponsor is unable in good faith to perform or title shall not be in accordance with the Purchase and Sale Agreement, Purchaser's sole remedy shall be either: (a) to consummate the Closing of Title without delay and accept such title to the Unit as Sponsor is able to convey without abatement in, or set-off against, the Purchase Price and without recourse against Sponsor by reason thereof; or (b) to cancel the Purchase and Sale Agreement and recover Purchaser's Deposit together with any interest earned thereon and any Net Refundable Special Work Payment (if and to the extent applicable). Purchaser shall be deemed to have elected to cancel and recover said sums if Purchaser fails to consummate the Closing of Title on the date set by Sponsor.

K-22. Release of Claim. Upon cancellation of the Purchase and Sale Agreement and payment of the funds escrowed with the escrow agent and any earned interest thereon to the proper party, and (if applicable) recovery of any sums due Sponsor, all rights, obligations and liabilities of Purchaser and Sponsor under the Purchase and Sale Agreement, the Plan and Plan Amendments shall end and all Liabilities and Expenses of each party and Sponsor's employees, agents and attorneys, and the escrow agent, shall be released and discharged, except the parties shall remain liable for those indemnities, obligations and liabilities expressly stated to survive cancellation of the Purchase and Sale Agreement.

K-23. Purchaser's Closing Costs and Apportionments. Purchaser's Closing Costs include (among others) the state and city transfer taxes (see Section N, subsection N-1.1 below for details). At Closing, Sponsor and Purchaser shall apportion the Common Charges, real estate taxes and any rent for the Unit (see Section N, subsection N-1.3 below for details).

K-24. Closing Payments and Documents.

K-24.1. Closing Payments. Purchaser's Closing payments consist of the Balance of the Purchase Price, Purchaser's Closing costs and the net closing apportionments, if in favor of Sponsor. If Purchaser is permitted to rent the Unit pursuant to an Interim Lease, any unapplied rent security will be refunded at or within 30 days following the Closing together with any earned interest.

K-24.2. Closing Documents. The principal documents to be signed or delivered at Closing of Title include: (a) a Unit Owner's Power of Attorney to be signed by Purchaser (see DOCUMENT2 Part II of the Plan); (b) a bargain and sale deed of the Unit with covenant against grantor's acts to be signed by Sponsor and Purchaser (see DOCUMENT 3 in Part II of the Plan); (c) the New York State and City

transfer tax returns and the State equalization and assessment form to be signed by Sponsor and Purchaser: (d) a smoke detector affidavit to be signed by Purchaser; (e) a release of lien and UCC-3 Financing Statement with respect to any mortgage on the Unit (other than any mortgage obtained by Purchaser), which are to be obtained by Sponsor (see Section M, subsection M-7 below); (f) a multiple dwelling affidavit to be signed by Sponsor; (g) a Sponsor's certification of non-foreign status; (h) (if Purchaser is obtaining mortgage financing) a Purchaser's affidavit with respect to the mortgage tax credit; (i) an insurance certificate naming Purchaser as an additional insured party under the Condominium's policy, which is to be obtained by Sponsor; and (j) a statement on the payment status of Common Charges from the Condominium Board or Managing Agent, which is to be obtained by Sponsor. See paragraph 14 of Purchase and Sale Agreement (DOCUMENT 1 in Part II of the Plan) for full list.

K-24.3. Satisfaction and Discharge. All agreements, obligations and liabilities of Sponsor and Purchaser are considered satisfied, released and discharged at consummation of Closing of Title, except only those that are expressly stated in the Purchase and Sale Agreement, the Plan or Plan Amendments to survive the Closing or are to be paid or performed subsequent to Closing. The foregoing shall not reduce or otherwise abridge any rights of Purchaser under Article 23-A of the General Business Law, or Part 20 of the Attorney General's regulation, or the Plan as amended.

K-25. Possession. Purchaser is not entitled to possess, occupy or in any way use the Unit prior to Closing of Title, unless at the time of purchase, Purchaser is given an Interim Lease for the Unit (see "Section J. Interim Leases" for discussion). At Closing Sponsor will deliver possession of the Unit to Purchaser, vacant, broom clean, and free of rights of others to possession.

K-26. State of Title. Purchaser shall accept title to the Unit subject only to the "Permitted Encumbrances" defined and listed in EXHIBIT A to the Purchase and Sale Agreement (see Section M, subsection M-4 below). If Sponsor is required to postpone the date scheduled by Sponsor for Closing of Title to remove an objection to title that existed but was not included in a written notice or title report received from Purchaser or Purchaser's attorney at least ten (10) calendar days before such scheduled Closing Date, Purchaser will be at fault for causing the postponement and will incur the delinquency closing costs set forth in Section N, subsection N-1.1 below.

NOTE: The several title insurers or agent identified in the Purchase and Sale Agreement (see paragraph 16.8 thereof) are most familiar with title to the Property and, therefore, are best able to facilitate the Closing of Title. Purchasers may choose any title insurer or agent preferred by Purchaser or Purchaser's attorney. If, however, title insurance is not obtained directly from one of said title insurers or agent, or a different title insurer or agent is chosen, and Sponsor's attorney is required to prepare or produce documents or instruments to omit a title objection that would not be required by any of said title insurers or agent, then at Closing Purchaser shall pay Sponsor's attorneys the sum of $350 for such services.

K-27. Personal Property Included in Sale. The sale of a Residential Unit includes only the appliances, Equipment, fixtures and personal property set forth in the Description of Property and Building Condition (DOCUMENT 4 in Part II) and summarized in part in Section C, subsection C-1.5 above. Each Residential Unit is being sold unfurnished. Furniture, floor coverings, wall coverings, furnishings and other decorations, finishes and treatments in or about any model or hallway are for display purposes only and are not included in the sale. There will be no modifications or extras unless agreed to in writing by Sponsor. Units used from time to time as sales offices or models (if any) are not being offered and are reserved for future sale. In addition, Sponsor reserves the right to sell a model Unit (if any) with its furnishings. The Plan will be amended to disclose the additional price to purchase the furnishings once Sponsor determines to offer a model Unit for sale.

K-28. Pre-Closing Inspection of the Unit By Purchaser.

K-28.1. Inspection Date. Until Sponsor notifies Purchaser in writing that construction of the Unit is sufficiently completed and ready for inspection, Purchaser and Purchaser's representatives shall not, nor have the right to, inspect or visit the Unit or Building or any portion thereof. At least five (5) calendar days before Closing of Title, Sponsor shall notify Purchaser in writing that construction of the Unit is sufficiently completed and is now ready for inspection. The inspection is to occur on a business day that falls within five (5) calendar days from the giving of such inspection notice, and during business hours, fixed by Sponsor. Sponsor shall endeavor (but shall not be obligated) to fix such date and time as shall be mutually convenient to Sponsor and Purchaser. Purchaser and Purchaser's representatives (if any) are to inspect the Unit on such date and time fixed by Sponsor, accompanied by Sponsor's representative.

K-28.2. Final Inspection Statement. At conclusion of the inspection, Purchaser is to complete, sign and deliver to Sponsor's representative the Final Inspection Statement (on the form annexed as EXHIBIT B to the Purchase and Sale Agreement) containing all items to be corrected and unfinished work, if any (collectively, "**punch list work**"). Sponsor shall be obligated to correct or cause to be corrected any personal property included in the purchase and sale (including kitchen appliances, Unit Equipment and plumbing and electrical fixtures) that are not in working order, provided same are listed on the Final Inspection Statement. Sponsor shall not, and shall not be required to, perform any punch list work that is not noted on the Final Inspection Statement, other than work to correct any Latent Construction Defects for which timely notice has been given, as provided in this Plan (see Section O, subsection O-2.11 below) and in the Purchase and Sale Agreement. Purchaser shall Close Title and pay the full Purchase Price on the date fixed by Sponsor in accordance with the Purchase and Sale Agreement (all: without delay; without abatement, set-off or credit against the Purchase Price; and without escrowing monies) notwithstanding: (a) Purchaser's failure to arrange or attend the Unit inspection prior to Title Closing or to complete, sign and deliver the Final Inspection Statement; or (b) the existence of required punch list work not performed or completed (which Sponsor shall complete or correct in accordance with Sponsor's obligations under the Purchase and Sale Agreement), provided only that: (a) the Unit is covered by a temporary or permanent Certificate of Occupancy, as required herein, (b)) the Unit is substantially completed with available heat and hot water and an operable kitchen and bathroom, and (c)) the Unit is substantially in broom clean condition (subject to the conditions to be corrected by the punch list work).

K-28.3. Punch List Work. Sponsor shall endeavor in good faith to complete all punch list work within thirty (30) calendar days after the Closing Date unless: (a) delayed due to Unavoidable Causes, in which case such incomplete work shall be completed with reasonable diligence after the Unavoidable Causes delaying the completion shall end, but not more than ninety (90) calendar days after the Closing Date; or (b) one or more punch list items cannot with reasonable diligence be completed within such thirty (30) calendar day period, in which case the thirty (30) calendar day period shall be extended a reasonable period in order to permit such completion, but not more than ninety (90) calendar days after the Closing Date. Sponsor's obligation to perform and complete the required punch list work in accordance with the Purchase and Sale Agreement shall survive Title Closing.

K-28.4. Prohibitions. Purchaser's right to inspect does not entitle Purchaser or Purchaser's representatives: (a) to probe, penetrate or disturb the surfaces of the walls, floors or ceilings of the Unit or any portion of the Building; or (b) to make any alterations or changes to the Unit; or (c) to store any furniture or other belongings in the Unit or elsewhere on the Building prior to Closing.

K-29. Prices and Price-Related Terms are Negotiable. The offering price and price-related terms of the Purchase and Sale Agreement are negotiable (see Section I, subsection I-2 for full discussion).

K-30. Broker. Sponsor shall be responsible for, and shall indemnify Purchaser from, all Claims and Liabilities and Expenses with respect to, the commissions if and when earned by the Selling Agent and such other participating broker (if any) that may be specified in the Purchase and Sale Agreement pursuant to a separate agreement with each of them. Apart from said specified participating broker (if any), Purchaser shall be responsible for, and shall indemnify Sponsor from, all Claims and Liabilities and Expenses with respect to, the commission if and when earned by any broker with whom Purchaser dealt or is alleged to have dealt. Each party's indemnity shall survive the Closing of Title to the Unit or the cancellation of the Purchase and Sale Agreement (as applicable).

K-31. Abandonment of Plan. Sponsor has the exclusive right and absolute discretion to abandon the Plan at any time before Sponsor declares the Plan effective or (under certain very limited circumstances) thereafter (see Section L, subsections L-6 and L-7 below for discussion). If Sponsor elects to abandon the Plan, all Purchase and Sale Agreements will automatically be cancelled and the Deposits refunded to Purchasers together with any earned interest and any Net Refundable Special Work Payment (if and to the extent applicable).

K-32. Purchaser's Representations. Each Purchaser will represent in the Purchase and Sale Agreement that: (a) Purchaser is a bona fide Purchaser; (b) Purchaser is not related to the Sponsor, the Selling Agent or the proposed Managing Agent, or to any of their respective principals, by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; and (c) Purchaser is not purchasing as an accommodation to, or for the account or benefit of, Sponsor or a principal of Sponsor.

K-33. Lawsuits. Any Lawsuits arising out of the Purchase and Sale Agreement shall be governed by the internal Laws of New York, shall be brought in New York County and shall be determined by the judge presiding at the trial without a jury (which the parties waive).

K-34. Purchase and Sale Agreement Is Not a Lien. Neither the Purchase and Sale Agreement nor the Deposit or any payment given for special work is a lien against the Property or the Unit. Purchaser may not record the Purchase and Sale Agreement and will be in default if Purchaser attempts to record it.

K-35. Prohibition Against Advertising. Until Title Closes, Purchaser is prohibited from advertising or publicizing the availability of the Unit for sale or lease. Any violation of this prohibition shall be a material event of default by Purchaser under the Purchase and Sale Agreement.

K-36. Lead-Based Paint. Pursuant to the regulations adopted by the federal Department of Housing and Urban Development and the Environmental Protection Agency, prospective Purchasers shall have the opportunity for at least ten (10) calendar days to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards in the Residential Unit to be purchased (if larger than a studio apartment) before signing the Purchase and Sale Agreement. In compliance with these regulations, Purchaser is to sign and return to Sponsor, the Selling Agent or Sponsor's attorney, the required 10-Day Lead-Based Paint Notice form (DOCUMENT 1F in Part II) and the Lead-Based Paint Disclosure Form (EXHIBIT C to the Purchase and Sale Agreement).

The federal regulations do not require Sponsor to abate, contain, remove or correct lead-based paint conditions or hazards. See also the EPA pamphlet "Protect Your Family From Lead in Your

Home" reproduced as DOCUMENT 1H in Part II of this Plan. Purchasers contemplating Alterations that penetrate or disturb painted surfaces of their Residential Units should consult with a qualified consultant or contractor for the recommended protocol to perform the Alteration and avoid potential lead-based paint dust contamination.

END OF SECTION K

SECTION L. EFFECTIVE DATE

L-1. Requirement of Effectiveness. Sponsor's offer to sell and obligations are contingent upon the Plan being declared effective by Sponsor and upon compliance with the relevant conditions and time periods described below. Sponsor must conform with the following provisions in determining whether, when and how the Plan will be declared effective. Until the Plan is declared effective or abandoned as provided in this Section L, Purchasers shall be irrevocably bound to purchase and cannot cancel the Purchase and Sale Agreement based on this contingency.

L-2. Procedure to Declare Plan Effective. The Plan may be declared effective by: (a) an Amendment to the Plan; or (b) by notice stating that the Plan is declared effective served on every Purchaser by personal service or by commencement of service by regular mail or registered or certified mail, with or without return receipt requested, in the manner required by Section 20.1(d) of Part 20 of the Attorney General's regulations, and submitting an Amendment to the Department of Law within five (5) days confirming that the Plan was declared effective on a specified date. The Amendment ("**Effectiveness Amendment**") will disclose the names of the Purchasers being counted toward effectiveness, the Residential Units for which Purchase and Sale Agreements are in effect and will otherwise conform to Section 20.5(e) of Part 20. The First Closing of a Residential Unit shall not be fixed until the Plan is declared effective and the Effectiveness Amendment is accepted for filing by the Department of Law.

L-3. Minimum Percentage of Sales. This Plan may not be declared effective unless bona fide Purchasers, including investors, have signed Purchase and Sale Agreements for at least fifteen percent (15%) of the Residential Units offered for sale under this Plan, or seven (7) Residential Units (45 Residential Units x 15%, rounded up). The Storage Units may not be counted toward effectiveness and shall be excluded from the base in calculating the fifteen percent (15%) needed to declare the Plan effective.

L-4. Purchase and Sale Agreements Excluded from Effectiveness. The Plan will not be declared effective based on Purchase and Sale Agreements:

(a) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived in writing; or

(b) if the Purchaser was not afforded the protections required by Section 20.3(o)(10) of said Part 20, which provides for the minimum period a Purchaser is given to review the Plan and Amendments (see Section K, subsection K-11 above); or

(c) with any Purchaser who is the Sponsor, the Selling Agent, or the Managing Agent or is a principal of the Sponsor, the Selling Agent, or the Managing Agent or is related to the Sponsor, the Selling Agent or the Managing Agent or to any principal of the Sponsor or the Selling Agent or the Managing Agent by blood, marriage or adoption or as a business associate, an employee, or a shareholder or a limited partner of a privately held company; except that such a Purchaser other than the Sponsor or a principal of the Sponsor may be included if Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.

L-5. Effective When 80% Sold. The Plan must be declared effective when Purchase and Sale Agreements with bona fide Purchasers have been accepted by Sponsor for eighty percent (80%) or more of the Residential Units offered under the Plan.

L-6. Abandonment Prior to Effectiveness. Sponsor has the exclusive option to abandon this Plan any time before it is declared effective. If Sponsor (in its sole and absolute discretion) elects to abandon the Plan, then within five (5) calendar days after Sponsor receives the letter from the Attorney General accepting the Filing of an Amendment abandoning the Plan, all monies paid by Purchasers toward the Purchase Price shall be refunded to them in full, together with any interest earned thereon and any Net Refundable Special Work Payment (if and to the extent applicable). Sponsor shall promptly following Sponsor's election to abandon the Plan submit for filing an Amendment abandoning the Plan together with form RS-3 as required by Section 20.1(l)(2) of Part 20 of the Attorney General regulations.

L-7. Abandonment After Effectiveness. Sponsor may not abandon the Plan after effectiveness for any reason other than:

(a) a defect in title which cannot be cured without litigation or cannot be cured for less than $282,310 (as reasonably estimated by Sponsor), which is not less than one-half of one percent of the total offering amount in SCHEDULE A (see Section E);

(b) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than $282,310 (as reasonably estimated by Sponsor), which is not less than one-half of one percent of said total offering amount; or

(c) the taking of any material portion of the Property by condemnation or eminent domain.

The above stated dollar amount relied upon as a basis for abandonment after effectiveness must exclude any attorney fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the Plan and are either known to Sponsor or are a matter of public record.

END OF SECTION L

SECTION M. TERMS OF SALE

M-1. Deed. The type of deed given to Purchasers shall be a bargain and sale deed with covenant against grantor's acts. The form of Unit deed is contained in Part II of the Plan as DOCUMENT 3.

M-2. Risk of Loss. Prior to Closing of Title, the risk of loss or damage to a Purchaser's Unit and its contents from casualty or other cause is assumed by Sponsor, unless Purchaser is given possession pursuant to an Interim Lease or other agreement or is at fault for causing the loss or damage, in which case Purchaser shall assume the risk of loss and damage. Sponsor's assumption of the risk does not obligate Sponsor to repair the loss or damage or restore a Purchaser's Unit or its contents. If Sponsor elects to repair, or if the First Closing of a Residential Unit has occurred and the Board is obligated to repair the loss or damage, the Closing of Title will be postponed a reasonable period to permit the repairs to be completed. Purchaser shall not be required to Close Title until the Unit and its contents are in the condition required in the Purchase and Sale Agreement and the Unit has all essential Building services (e.g., heat and utilities) and a reasonable means of access to and from the street. If Sponsor elects not to repair, the Purchase and Sale Agreement will be canceled and the Deposit returned to Purchaser together with any earned interest thereon and any Net Refundable Special Work Payment (if and to the extent applicable).

If Purchaser is given possession under an Interim Lease or is at fault for causing the loss or damage, then Purchaser must consummate the Closing of Title on the date set by Sponsor in accordance with the Purchase and Sale Agreement, without delay, and pay the full Purchase Price without abatement, set-off or credit, and without recourse against Sponsor by reason thereof.

M-3. Certificate of Occupancy. A Closing of Title to a Unit will take place only concurrently with the issuance of a temporary or permanent Certificate of Occupancy for the entire Building or the issuance of a partial, temporary or permanent certificate of occupancy for the Unit closed.

M-4. Title Exceptions. Title to each Unit and its appurtenant interest in the Common Elements and the Association's Properties will be conveyed at the Closing free and clear of all liens, encumbrances and title exceptions other than those described in this Plan (including the Purchase and Sale Agreement contained in Part II as DOCUMENT 1) and the proposed Unit Deed (contained in Part II as DOCUMENT 3). A summary of all leases, mortgages, liens, encumbrances and title exceptions that will affect the Unit and Property after Closing is set forth below. See EXHIBIT A to the Purchase and Sale Agreement (DOCUMENT 1) for full details. Each Unit will be conveyed and purchased (without abatement in the Purchase Price or recourse against Sponsor), subject to the following permitted title exceptions, which shall not be objections to title:

(a) Building restrictions and zoning laws and other regulations, resolutions and ordinances, and any amendments thereto, provided they do not prevent the use of a Unit for the purposes set forth in the Plan.

(b) State of facts shown on the survey made by George Hollerith, dated 8/13/1948 and last brought to date by Earl B. Lovell – S. P. Belcher Inc. by a visual examination dated 9/6/01 (see EXHIBIT A to Purchase and Sale Agreement for summary of survey reading). Any additional state of facts that an updated survey or personal inspection of the Land and Building would show, including encroachments of the Building on adjoining properties and/or streets and encroachments of adjoining buildings on the Property, provided that Purchaser's title insurer or agent, or any of the title insurers or agent listed in the Purchase and Sale Agreement, will insure at its regular rate, without additional premium, in a fee title policy that

such encroachments may remain for so long as the Building shall stand, and provided further that such state of facts would not prevent the use of Purchaser's Unit for the purpose set forth in this Plan.

(c) Any state of facts an accurate survey of the Unit would disclose, including: (i) encroachments by the Unit on adjoining Units and on Common Elements; and (ii) encroachments by adjoining Units or Common Elements on the Unit, provided Purchaser's title insurer or agent, or any of the title insurers or agent listed in the Purchase and Sale Agreement, will insure, at its regular rate, without additional premium, in a fee title policy that any encroachments of a portion of the Unit upon any other Unit or the Common Elements, or vice versa, may remain for so long as the Building shall stand.

(d) The terms, provisions, burdens, covenants, restrictions, conditions, options, duties, limitations, licenses, powers, easements, encroachments and rules and regulations set forth in, or permitted by, the Declaration, the By-Laws (and the Rules and Regulations made thereunder), Purchaser's Unit Owner's Power of Attorney and the Floor Plans, as any of the foregoing might be amended from time to time, provided that the title insurance policy will insure against loss or damage occasioned by the Unit not being part of a condominium validly created pursuant to Article 9-B of the Real Property Law, as amended.

(e) Consents by Seller, the Condominium Board 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 Land abuts.

(f) Sewer, water, electric, plumbing, heating, gas, telephone, cable and other utility easements and any and all rights of use in favor of any utility company for construction, use, maintenance, repair, removal, relocation and replacement of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the Land and Building.

(g) Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax (which is to be paid as provided in the Condominium's By-Laws).

(h) Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators/hatches, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and stand pipes, 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 between record lines of the Property and retaining walls and the like, if any.

(i) Leases and service, maintenance, management, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements, or made with or assumed by the Condominium Board, as disclosed or permitted in the Plan or a Plan Amendment or made after the end of the Sponsor Board Control Period.

(j) The lien of any unpaid Common Charge and real estate taxes, which shall be apportioned at the Closing of Title as set forth in the Purchase and Sale Agreement. The lien for any unpaid water charges and sewer rents are payable by the Condominium Board and included in the Common Charges, and thus are deemed apportioned as part of the Common Charges.

(k) The lien of any unpaid assessment payable in installments, except that: (k-1) Sponsor will pay all such assessments due prior to the Closing Date; and (k-2) Purchaser will pay all assessments due from and after such date. However, the then current installment of an

assessment will be appropriately apportioned at Closing. The term "assessments" as used herein includes both a real estate tax assessment and a Condominium Board Special Assessment.

(l) Unpaid fees or charges of any Governmental Authority for inspections, reinspections, examinations, services, permits and licenses, which shall be apportioned between Sponsor and the Condominium Board as provided in this Plan or, if arising after the First Closing of a Residential Unit, shall be payable by the Condominium Board and included in the Common Charges, and thus are deemed apportioned as part of the Common Charges (all such unpaid fees or charges due and payable prior to the First Closing of a Residential Unit shall be paid by Sponsor as provided in this Plan).

(m) Unpaid costs, charges and amounts owed by the Condominium Board after the First Closing of a Residential Unit for work performed by a Governmental Authority, including the New York City Office of Rent and Housing Maintenance, Emergency Services Division, and the New York City Department of Health (all such unpaid costs, charges and amounts owed prior to the First Closing of a Residential Unit shall be paid by Sponsor pursuant to this Plan).

(n) Any encumbrance as to which any of the several title insurers or agent identified in the Purchase and Sale Agreement or Purchaser's title insurer or agent would be willing to insure, at Purchaser's expense, at its regular rate and without additional premium, in a fee policy issued by it to Purchaser: (n-1) will not be collected out of, or enforced against, the Unit or its Common Interest if it is a lien; or (n-2) will not prevent the use of the Unit for the purpose set forth in this Plan, whichever is applicable. Any exception that any of said several title insurers or agent has omitted or insured at its regular rates and without additional premium will not be collected out of, or enforced against, another Unit, in a fee title insurance policy for such other Unit, regardless of which title insurer or agent Purchaser uses, will not be a valid objection to title.

(o) The Building is designated as an individual landmark by a certain Notice of Designation recorded in the Register's Office on 2/11/02 in Reel 3448 at page 677; the Building and improvements on the Land are subject to the restrictions as to use provided for in the Administrative Code of the City of New York, Title 25, Chapter 3.

(p) Restrictive Declaration dated January 14, 2002, recorded in the Register's Office, which (among other things) requires the owner of the Property and (from and after the First Closing of a Residential Unit) the Condominium Board to establish and maintain a program for continuing maintenance to ensure that the Building is maintained in a sound, first-class condition in perpetuity.

(q) Any declaration or other instrument affecting the Property that the Condominium Board considers 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 or quasi-public Governmental Authority in connection with the demolition, construction, Alteration, Repair, use, occupancy, Operation or restoration of the Building.

(r) Any easements, covenants, declarations, restrictions or agreements, whether of record or unrecorded, affecting the Property or any portion thereof, and the title exceptions set forth in the title report issued by any of said title insurers or agent listed in the Purchase and Sale Agreement, provided they do not prevent the use of a Unit for the purpose set forth in the Plan,

and excluding: (a) any title exception to be removed in order to insure the valid establishment of the Condominium as provided in this Plan; and (b) the lien of any mortgage or UCC-1 financing statement, which are to be released or terminated, respectively, from the Unit.

(s) Any violations against the Property (other than the Unit) that are the obligation of the Condominium Board after the First Closing of a Residential Unit or another Unit Owner to correct (all such violations existing at the First Closing shall be corrected by Sponsor pursuant to this Plan).

(t) The Certificate of Occupancy or temporary Certificate of Occupancy covering the Building (when issued after completion or substantial completion of the Building rehabilitation), provided it authorizes use of the Unit for the purpose set forth in this Plan.

(u) Leases and rights of tenants and occupants of other Units and portions of the Property other than the subject Unit, as tenants only, and any lease, tenancy and occupancy of Purchaser's Unit by Purchaser, as and if provided in the Purchase and Sale Agreement.

(v) Any lien (including any mortgage lien) or other encumbrance granted, created or obtained by Purchaser.

(w) Easements for ingress and egress for construction, installation, operation and maintenance of municipal service facilities and utilities.

(x) Any easement or right of use required by Sponsor or its designee to obtain a temporary or permanent Certificate of Occupancy of the Building or any part thereof. Any other covenants, restrictions, easements or other encumbrance (other than for the payment of money), provided that they do not prohibit the existence and use of a Unit for the purpose set forth in this Plan.

(y) Any lien, encumbrance or lis pendens either: (y-1) for which the instrument required to remove said encumbrance of record is delivered at or prior to the Closing Date to the proper party or to Purchaser's title insurer or agent together with the required recording or filing fee; or (y-2) as to which Purchaser's title insurer or agent, or any of said title insurers or agent listed in the Purchase and Sale Agreement, will insure that the lien, encumbrance or lis pendens will not be collected out of, or enforced against, the Unit.

(z) Party walls and party wall agreements, if any.

(aa) Judgments, bankruptcies or other returns against other persons having names the same as or similar to Sponsor or any of Sponsor's principals, provided Sponsor or any such principals, as the case may be, deliver to Purchaser or Purchaser's title insurer or agent, or any of the several title insurers or agent identified in the Purchase and Sale Agreement, an affidavit showing that such judgments, bankruptcies or other returns are not against Sponsor or any such principals, as the case may be.

(bb) Uniform Commercial Code financing statements or conditional bills of sale, provided that: (bb-1) such statements were filed on a date more than five (5) years prior to the Closing Date; (bb-2) Sponsor executes and delivers to Purchaser an affidavit setting forth that the property covered thereby is no longer in the Unit or is fully paid for; or (bb-3) a tenant is the debtor thereunder.

(cc) Standard printed exceptions contained in the form of fee title insurance policy then issued by the title insurance company insuring Purchaser's title to the Unit.

(dd) Franchise taxes and New York City business corporation taxes of any organization in the chain of title, provided that Purchaser's title insurer or agent, or any of said title insurers or agent listed in the Purchase and Sale Agreement, would be willing to insure at its regular rate, without additional premium, in a fee policy that such taxes will not be collected out of the Unit.

M-5. Personal Property. All personal property located within the Residential Unit on the date the Purchase and Sale Agreement is signed or is to be installed in the Unit by Sponsor pursuant to this Plan (see Section C, subsection C-1.5 and DOCUMENT 4 in Part II), and all personal property located within the Common Elements on the date the Declaration is filed or is to be installed in the Common Elements pursuant to Sponsor's Building Plans and Specifications (see said DOCUMENT 4 for summary) that is owned by Sponsor, are included in the conveyance.

M-6. Condominium Documents. The Declaration, By-Laws and Floor Plans for the Condominium and such other documents as required by Law, will be recorded or filed by Sponsor, at its expense, prior to the first conveyance of title to a Unit in accordance with the New York Condominium Act. The place of recording or filing is the Register's Office of the borough of Manhattan , in the City, County and State of New York.

M-7. Existing Mortgages. If existing mortgages are not satisfied at or prior to the First Closing of a Residential Unit, then at the time of first conveyance of the Unit, each mortgagee will either: (a) consent to the formation of the Condominium and acknowledge that its lien will be limited to unsold Condominium Units; (b) subordinate the lien of its mortgage to the Declaration of Condominium; or (c) release its lien on the Condominium Unit being conveyed.

END OF SECTION M

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SECTION N. UNIT CLOSING COSTS AND APPORTIONMENTS

N-1. Closing Costs and Apportionments

N-1.1. Purchaser's Closing Costs. The Closing costs, fees and charges to be paid by Purchaser and their estimated amounts based on an assumed Purchase Price of $1,100,000, an assumed mortgage loan of $880,000 (i.e., 80% of the Purchase Price) and rates in effect on February 28, 2003 are as follows:

(a) New York State transfer tax (at the rate of 0.4% x the "Adjusted Purchase Price" (defined below), rounded up to the nearest $500, plus a so-called Mansion Tax of 1% of the Adjusted Purchase Price, if the Adjusted Purchase Price is $1,000,000 or more):	$15,687
(b) New York City transfer tax (at the rate of 1% of the Adjusted Purchase Price of $500,000 or less, or at the rate of 1.425% of an Adjusted Purchase Price of more than $500,000):	15,961
(c) estimated governmental recording fees and charges for the Unit Deed (assuming 8 pages), Unit Owner's Power of Attorney (assuming 7 pages) and Purchaser's mortgage (assuming 20 pages) (fees at the rate of $17 per instrument and $5 a page, plus an additional charge of $15 each for the Deed and Power of Attorney and $22 for the mortgage) and the New York State equalization and assessment form ($25) and UCC-1 Financing Statement (filing and service fees of $50)[1]:	353 (estimated)
(d) mortgage recording tax at the rate of 2% of the mortgage (if less than $500,000) or 2.125% of the mortgage (if $500,000 or more); minus $25 and minus 0.25% payable by the mortgage lender (before deducting the savings arising from the statutory credit, which is payable to Sponsor):	16,475
(e) municipal charge to record the mortgage tax credit affidavit:	10
(f) premium for simultaneous fee and mortgage title insurance:	4,119
(g) projected mortgage loan fees and costs (based on the following assumptions and estimates): $8,800 for loan commitment fee (at 1% of loan amount); $750 for appraisal; $300 for loan application; $150 for document preparation; $2,200 for mortgage lender's recording tax (at 0.25% of loan amount); $50 for UCC-1 filing fee; $750 for lender's legal fee; and $700 allowance for miscellaneous expenses):	13,700 (estimated)
(h) Working Capital Fund Payment (equal to two months' Common Charges):	1,750 (estimated average)
(i) legal fee to Sponsor's designated attorney:	1,400
(j) allowance for gratuity to closer for title insurer and contingencies:	250
and	
(k) estimated title insurer service charge to record instruments:	25[2] (estimated)
Total Projected Closing Costs:	$ 69,730

[1] Governmental recording fees and charges may vary from time to time.

[2] Title insurer service charges may vary and differ, depending upon the title insurer or agent.

Purchaser's actual Closing costs, fees and charges will be based on the applicable governmental and title insurer rates in effect on Purchaser's Closing Date. The foregoing projections are believed to be reasonable, but are not assured or guaranteed. A number of unknown and varying factors (e.g., mortgage financing costs and escrows if Purchaser is obtaining financing) will affect the actual Closing costs, fees and charges, which may vary, perhaps substantially, from the above projections.

The state and city transfer taxes are the statutory obligation of Sponsor as seller (other than the so-called "mansion tax"). Sponsor is transferring this statutory obligation to Purchasers under the Purchase and Sale Agreement. When so doing, the taxing authorities increase the Purchase Price by the amount of the transfer tax ("**Adjusted Purchase Price**") and compute the transfer tax on the Adjusted Purchase Price. The effect is to pay a transfer tax on the transfer tax. Expressed as a formula, the Adjusted Purchase Price equals the sum of (a) the Purchase Price plus (b) the product of the Purchase Price x 0.014 (if the Purchase Price is $500,000 or less) or the Purchase Price x 0.01825 (if the Purchase Price is more than $500,000). The combined rates for the New York State and New York City transfer taxes, excluding the mansion tax, are: 1.400% if the Adjusted Purchase Price is $500,000 or less; or 1.825%, if the Adjusted Purchase Price is above $500,000.

If Purchaser's Institutional Lender or its attorney refuses to hold the closing at the office of Sponsor's attorney, Purchaser will pay a travel fee to Sponsor's attorney of $350 (if the closing is held in Manhattan) or $500 (if the closing is held elsewhere in New York City).

If Purchaser is at fault for not Closing Title on the date set by Sponsor in accordance with this Plan and the Purchase and Sale Agreement, Purchaser will pay the following additional "delinquency closing costs" at Closing of Title: (a) Purchaser will pay Sponsor per diem interest on the Purchase Price at the rate of 10% per annum, prorated for each day's delay from the date set for Closing through the end of the day prior to the actual Closing Date, to compensate Sponsor for loss of potential earnings on the Purchase Price; (b) Purchaser will reimburse Sponsor for the Unit's Common Charges and real estate taxes for the period of such delay, after deducting any rent received and collected from Purchaser if Purchaser is given possession prior to Closing; and (c) Purchaser will pay Sponsor's designated attorney $250 for each default notice, and $250 for each time the Closing is rescheduled.

N-1.2. Sponsor's Closing Costs. Sponsor's Closing costs, fees and charges shall include the payments to the lender holding a mortgage on the Property to obtain a release of the mortgage lien from the Unit being conveyed and the related UCC-3 Termination Statement releasing the lien on fixtures in the Unit. Sponsor will also pay all other amounts as required elsewhere in this Plan (see Section O, subsection O-2 below).

N-1.3. Closing Apportionments with Purchasers. At Closing, Purchaser and Sponsor shall apportion as of end of the preceding day: (a) real estate taxes for the Unit for the tax period within which the Closing occurs; (b) Common Charges; and (c) (if Purchaser is given possession prior to Closing) the rent payable for the Unit for the month of Closing (based on the actual number of days in such month). Common Charges will commence at the First Closing of a Residential Unit. Accordingly, Common Charges will not be apportioned for only those Units that Close on the day of the First Closing; however, the Purchasers of such Units may be required to pay at Closing the Common Charges for the Unit (including real estate taxes, if the Unit is not separately assessed and billed) for the remaining days of the month in which the Closing occurs. Until the Units are separately assessed and billed by the taxing authority for real estate taxes, each Unit's "Tax Share" (as defined in Section S, subsection S-1.2 below) of the Property's real estate taxes will be

paid to the Condominium Board as part of the Unit's General Common Charges (see Section S, subsection S-1 for full discussion). If title closes before said separate assessment and billing for real estate taxes, the apportionment for real estate taxes will be based on the Unit's "Tax Share" of the Property's real estate taxes or, if paid to the Condominium Board as part of the Unit's General Common Charges, the apportionment of real estate taxes will be based on the amount so paid to the Board (see below for requirement to adjust any overpayment or underpayment of the amount so apportioned).

The net amount resulting from these apportionments will be paid to the proper party at Title Closing. If the payment is to be made to Sponsor, it will be in addition to Purchaser's payments for the Purchase Price and Closing costs.

Installments for any Special Assessments for real estate taxes or for Common Expenses will be paid by the party owning the Unit at the time the installments are payable. However, the then current installment of any Special Assessment for real estate taxes or Common Expenses for the period in which the Closing occurs will be equitably apportioned as of the end of the day preceding the Closing (based on the actual number of days in the installment period) and paid to the appropriate party at Closing.

The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, will apply to all apportionments, except as may otherwise expressly be provided in this subsection N-1.3. Any errors or omissions in computing the apportionments discovered after Closing will be corrected and payment made to the proper party promptly after receipt of a written notice detailing the calculation of the amount owed, provided notice is given within six (6) months following the Closing Date. SPECIAL RISK: The six (6) months period to send such notice is a "TIME OF THE ESSENCE, or deadline, period (see Section A, subsection A-6 above). This provision will survive the Closing of Title.

If at Closing of Title the Unit is not separately assessed and billed for real estate taxes, Sponsor and Purchaser will adjust any overpayment or underpayment of the real estate taxes apportioned at closing when the Unit is so separately assessed and billed by the taxing authority. The adjustment shall be based on difference between a Unit's Tax Share at Closing of Title and the product of: (a) the Property's taxable assessed valuation (excluding any real estate tax benefits); multiplied by (b) the ratio that the Unit's initial separate actual assessed valuation bears to the aggregate initial separate actual assessed valuations of all Units (in each case exclusive of any real estate tax benefits); multiplied by (c) the tax rate applicable to the Unit at Closing of Title.

The amount of the overpayment or underpayment is required to be paid within fifteen (15) calendar days after Purchaser (in the case of an underpayment by Purchaser) or Sponsor (in the case of an overpayment by Purchaser) is sent written notice detailing the calculation of the amount owed, provided such notice is sent within a deadline of 60 calendar days after the Unit is separately assessed and billed for real estate taxes. SPECIAL RISK: The 60 calendar day period to send such notice is a "TIME OF THE ESSENCE, or deadline, period (see said subsection A-6 above). This means that if notice is not sent within such 60 day deadline, no adjustment will be made. The notice must be accompanied by suitable proof of the real estate tax for the Unit (such as a real estate tax bill or title report). If the amount due is not paid within said fifteen (15) calendar day period, then the party owed payment will be reimbursed: (a) per diem interest on the unpaid amount at the rate equal to the lower of sixteen percent (16%) a year or the highest rate allowed by Law to be charged to individuals, computed from the end of the fifteen (15) calendar day period until payment is received (to compensate for loss of potential earnings on the amount past due); and (b) the Costs and Expenses of collection. The obligation to adjust the apportionment for real estate taxes and to pay the appropriate party will survive Closing of Title.

N-1.4. Closing Apportionments with Condominium Board. At the First Closing, Sponsor and the Condominium Board will apportion as of the end of the day immediately preceding the First Closing, all Building expense items customarily apportioned in New York City by a seller and purchaser of a multiple dwelling (apart from real estate taxes), including: (a) all payments and obligations relative to the Building's superintendent and all other Building staff; (b) the cost of fuel (including sales tax, if any); (c) the payments under any assignable service, maintenance and concessionaire agreements; (d) the premiums for transferable insurance policies; (e) the water charges, sewer rents and vault charges (if any) based on the fiscal or calendar year for which assessed; (f) the cost of unused Building supplies on hand, at Sponsor's cost (including sales tax) (the Managing Agent will verify the inventory of such supplies); (g) the charges for electricity and gas for the Common Elements and deposits with utility companies; (h) the fees of any Governmental Authority for inspections, permits and licenses; (i) the management fee; and (j) the fee to the Realty Advisory Board on Labor Relations, Inc. or similar real estate industry group (if any).

The "Customs in Respect to Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, will apply to these apportionments, except as may otherwise expressly be provided in this subsection N-1.4. Any error or omission in computing the apportionments discovered after the First Closing of a Residential Unit will be corrected and payment made to the proper party promptly after receipt of a written notice detailing the calculation of the amount owed, provided such notice is sent within six (6) months following the election of an Independent Board Member. SPECIAL RISK: The six (6) month period to send such notice is a "TIME OF THE ESSENCE, or deadline, period (see said subsection A-6 above). This provision will survive the First Closing.

To the extent any of these items are provided in the First Year's Budget or the Condominium Documents to be paid by only all Residential and Storage Units or by all Units, then each applicable group of Units will be required to pay that portion of such item that is fairly and properly attributable to such group of Units in accordance with the First Year's Budget and the Condominium Documents.

If the closing apportionments results in a "net amount" to be paid by the Condominium Board to Sponsor, the Condominium Board will pay such net amount to Sponsor at the First Closing as follows:

(a) the first $20,000 will be paid in cash, which will be taken from the Initial Working Capital Fund to the full extent that the portion of such net amount is fairly and properly attributable to the Residential and Storage Units (as set forth in the First Year's Budget and the Condominium Documents); and

(b) the balance above $20,000 (if any) will be paid by the Condominium Board, as agent and on behalf of the applicable Unit Owners, executing and delivering to Sponsor a promissory note in favor of Sponsor in the amount of such balance, bearing interest at the yearly rate of ten percent (10%) and payable in twelve (12) equal, consecutive, monthly installments of principal and interest on the first day of each month in an amount sufficient to fully repay the loan with interest over one (1) year, starting with the month immediately following the first full calendar month after the First Closing; however if the First Closing does not occur on the first day of a month, the first payment will be for interest only for the remaining days of such month, payable on the first day of the month immediately following the First Closing and the twelve (12) consecutive monthly installments of principal and interest will begin on the first day of the next ensuing month.

Interest under said note will be calculated on the basis of a year having 360 days and will be computed from the First Closing for the actual number of days that have elapsed. The interest and

principal payments of this note will be included in the General Common Expenses and/or Residential Common Expenses if and to the extent the Building expenses being apportioned are part of the General Common Expenses and/or Residential Common Expenses, respectively.

The note will provide that if a monthly installment is not received by Sponsor within ten (10) calendar days of the date due: (a) Sponsor will have the right to accelerate the maturity date and require immediate payment in full of all unpaid principal and interest; (b) the interest rate will increase to sixteen percent (16%) a year (computed from the due date and until payment is received by Sponsor); and (c) the Condominium Board will reimburse Sponsor, promptly following demand, for all Costs and Expenses incurred to collect on the note. However, Sponsor may not enforce these provisions if the late payment or default occurs while the Sponsor Board Members constitute a majority of the Residential Board Members. The Condominium Board will have the right to prepay the whole (but not less than the whole) unpaid principal amount of the note at any time, without penalty, but with interest accrued to the date prepayment is received by Sponsor.

If the net amount of the closing apportionments is in favor of the Condominium Board:

(a) Sponsor's payment of the Initial Working Capital Fund will be credited against the net amount owed and (if insufficient) the deficiency will be paid by Sponsor to the Condominium Board at the First Closing and added to the Working Capital Fund; and

(b) an amount equal to such credit that otherwise is to be reimbursed to Sponsor from the first Working Capital Fund contributions of Purchasers of Residential and Storage Units will not be paid to Sponsor and instead will be paid to the Condominium Board.

N-2. Mortgage Tax Credit. A mortgage tax credit is provided in RPL §339-ee and is calculated on the mortgage recording taxes (except for a certain special additional mortgage recording tax) paid on a blanket mortgage whose proceeds were applied (for example) to capital expenditures or expenses or to purchase the Property. The statutory credit applicable to each Unit is prorated in accordance with the Unit's percentage of Common Interest. The statutory credit is not available where the first Unit is sold more than two years after the blanket mortgage is recorded.

Under the Plan and the Purchase and Sale Agreement, Purchaser is required to reimburse Sponsor at Closing of Title an amount equal to any savings on the mortgage recording tax resulting from such mortgage tax credit available to Purchaser with respect to any purchase money mortgage on the Unit obtained by Purchaser at Closing of Title. The net result to Purchaser of such payment (if any) to Sponsor is to eliminate any benefit to Purchaser for the statutory mortgage tax credit and, in effect, for Purchaser to pay overall an amount equal to the mortgage recording tax on Purchaser's mortgage as though there were no such credit. See subsection N-1.1(d) above for illustration of estimated mortgage recording tax.

N-3. Fees of Sponsor's Attorney and Lender's Attorney. At Closing, Purchaser will pay Sponsor's attorney, Mandel Resnik Kaiser Moskowitz & Greenstein P.C., a fee of $1,200 (if Purchaser closes without a mortgage loan) or $1,400 (if Purchaser closes with mortgage financing) for services in connection with the Closing (including preparation of the notice scheduling the date of Closing of Title, calculating the Unit closing apportionments, preparing or obtaining applicable Unit closing documents and arranging and coordinating the attendance at Closing of all applicable parties). If Purchaser is obtaining financing, lenders will customarily require Purchaser to pay the fee of lender's attorney, which will vary. An estimated fee of $750 is projected to be paid by Purchaser for lender's legal fee in subsection N-1.1(g) above.

N-4. Real Estate Taxes. Until the Units are separately assessed and billed for real estate taxes, the real estate taxes assessed to the Property shall be included in the General Common Expenses and specially allocated and assessed to the Units in accordance with the percentages set forth in

footnote (6) to SCHEDULE A (in Section E) and Section F, subsection F-3. After the Units are separately assessed and billed for real estate taxes, Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. See Section S, subsection S-1.3 and Article 9, Section 9.1of the Declaration for discussion.

END OF SECTION N

SECTION O. RIGHTS AND OBLIGATIONS OF SPONSOR

O-1. Rights of Sponsor. This Section O summarizes many of the more important Sponsor's Rights under this Plan and the Condominium Documents and apply to all Units owned by Sponsor at the time in question, including Unsold Units and Units reacquired by Sponsor or Sponsor's designee, whether such reacquisition results from the exercise of a right of rescission or a right to sell back to Sponsor or a mortgage foreclosure or a deed given in lieu of such foreclosure or otherwise. However, such reacquired Units shall not be regarded as Unsold Units for purposes of determining the expiration Sponsor Board Control Period or the Sponsor Veto Control Period.

Sponsor's Rights shall inure to the benefit of each and every Unsold Unit Owner, who will succeed to all or (if specified by Sponsor) certain of Sponsor's Rights with respect to each Unsold Unit owned by such Owner upon being designated an Unsold Unit Owner by Sponsor in writing or an Amendment. All of Sponsor's Rights shall be binding upon, and enforceable by Sponsor and Unsold Unit Owners against, the Condominium Board and all Unit Owners. The summary is not intended to be exhaustive and should be read in conjunction with the other Sections of this Plan. All references to Sponsor in this subsection O-1. shall include each and every Unsold Unit Owner with respect to the Unsold Units owned by such Owner, unless otherwise expressly stated

O-1.1. Status of Unsold Unit. An Unsold Unit shall retain its status and character as an Unsold Unit until: (a) it is no longer owned by Sponsor or an Unsold Unit Owner; or (b) it is occupied by its Owner or a family member of the Owner; or (c) it is conveyed to a bona fide Purchaser: (c-1) for personal occupancy (by the Purchaser or a family member of the Purchaser); or (c-2) for rental investment and such Purchaser is not designated as an Unsold Unit Owner.

O-1.2. Sponsor's Right to Change Prices, Units and Common Elements. Sponsor has the right to change the asking prices, the Units and the Common Elements on the terms and conditions stated in "Section I. Changes in Prices and Units".

O-1.3. Sponsor's Rights to Sell, Lease and Mortgage. Sponsor shall have the right, Freely and Without Consent, Payment or Restriction: (a) to sell and convey Unsold Residential Units to Purchasers for personal occupancy by themselves and/or their families; (b) to lease and rent Unsold Storage Units to Unit Owners and tenants of the Building; and (c) to mortgage Unsold Units with one or more mortgages. In addition, Sponsor shall have the right, Freely and Without Consent, Payment or Restriction (except as expressly provided herein), to rent Unsold Residential Units under Interim Leases with Purchasers of the Units and, after 50% of the Residential Units are sold and conveyed to Purchasers for personal occupancy, if market conditions become less favorable than those existing at the time of Filing of this Plan: (a) to rent Unsold Residential Units to non-Purchasers; and (b) to sell and convey Unsold Residential Units to Purchasers for rental operation and not personal occupancy, while Sponsor endeavors in good faith to sell Unsold Residential Units at prices determined in good faith to be satisfactory to Sponsor (see Section A, subsection A-11 for further discussion).

With respect to each Unit mortgaged to Sponsor or a Sponsor Related Party ("**Sponsor Mortgagee Unit**"), Sponsor or said Sponsor Related Party (as applicable) or its designee shall have the right, Freely and Without Consent, Payment or Restriction, to acquire a Sponsor Mortgagee Unit following a foreclosure of said mortgage or a deed in lieu thereof given to Sponsor or said Sponsor Related Party or its designee (as applicable), and thereafter to sell, convey, lease, sublease and mortgage (with one (1) or more mortgages) from time to time, such Sponsor Mortgagee Unit.

The right of Sponsor and a Sponsor Related Party, and said designee, to sell, convey, lease and mortgage Unsold Units and Sponsor Mortgagee Units, Freely and Without Consent, Payment or Restriction (except the restrictions expressly noted above), include:

(a) without the consent or approval of the Condominium Board or Unit Owners;

(b) without complying with any kind of condition, requirement or restriction, other than those restrictions expressly noted above, but without offering the Condominium Board the Right of First Refusal (i.e., Match Offer Right) to purchase or lease or sublease the Unit on the same terms offered by a proposed purchaser or tenant or subtenant, respectively, and without complying with any requirements as to the form or content (including the term or other provisions) of a lease, sublease, mortgage or other instrument (except each lease and sublease must expressly provide that it is subordinate to the Condominium Documents);

(c) without paying any fee, charge, "flip tax", imposition or expense of the Condominium Board or its Managing Agent or attorneys (however, this will not excuse the payment of any applicable governmental taxes by the party charged by Law, such as the New York City and New York State transfer taxes); and

(d) without the proposed purchaser, Owner, tenant or subtenant (as applicable) submitting an application, financial or bank statement, copies of income tax returns, references or other documents or attending an interview.

See Section A, subsections A-9, A-10 and A-11 for Special Risks associated with these Sponsor's Rights.

The lien in favor of the Condominium Board for unpaid Common Charges or other indebtedness under the By-Laws and the Condominium Act shall be subordinate to, and shall not affect the priority, validity or enforceability of, a prior recorded first mortgage on an Unsold Unit.

Within ten (10) days after written notice of a proposed sale, conveyance, lease or mortgage of an Unsold Unit or a Sponsor Mortgagee Unit is hand delivered or mailed to the Condominium Board or its Managing Agent, the Condominium Board shall duly sign and return to Sponsor or the appropriate Unsold Unit Owner (as applicable), and Sponsor or such Unsold Unit Owner (as applicable) shall receive:

(a) (in the case of a proposed sale or lease) a certificate that the transaction is exempt from the Condominium Board's Right of First Refusal; and

(b) a certificate as to: (b-1) the status of payment of Common Charges, Special Assessments and other payments (if any) for the applicable Unsold Unit or Sponsor Mortgagee Unit, or of any other indebtedness of Sponsor or Unsold Unit Owner (as applicable) to the Condominium Board; (b-2) whether a notice of default under, or violation of, the Condominium Documents by the Sponsor or such Unsold Unit Owner (as applicable) has been given and (if given) whether or not it has been corrected; and (b-3) whether an event is known to have occurred which with notice or the passage of time or both would constitute a default under, or violation of, the Condominium Documents by Sponsor or such Unsold Unit Owner (as applicable).

Each such certificate must be satisfactory in form and content to, and will be prepared by an attorney designated by, Sponsor or such Unsold Unit Owner (as applicable).

O-1.4. Sponsor's Right to Alter Unsold Units. Sponsor shall have the right to Alter its Unsold Units before and after the First Closing of a Residential Unit ("**Sponsor's Right to Alter**"), and each and every first Owner of a Sold Residential Unit who has been so expressly authorized in writing by Sponsor shall have the right to Alter the Owner's Sold Residential Unit ("**Authorized First Sold Residential Unit Owner**"), Freely and Without Consent, Payment or Restriction, other than the requirement to comply with the applicable Work Requirements set forth in the Declaration. Sponsor's Right to Alter includes the right to make all Unit Changes in accordance with the provisions set forth in Section I, subsections "I-5, I-6 and I-7 above.

O-1.5. Sponsor's Right for Use and Occupancy of Unsold Units. Unsold Units are exempt from all restrictions and requirements in the Condominium Documents as to use and occupancy of Units, other than the requirement to comply with applicable Laws and the restriction against Prohibited Uses (see Section A, subsection A-1 for changes in use of the Commercial Units). Accordingly, Unsold Residential Units may be used as models and offices for the sale, rental, management, Operation, marketing, advertising and Promotion of Unsold Units and for any other lawful purpose, other than Prohibited Uses. Such permitted uses of Unsold Units may be noisy, emit odors, involve heavy traffic and need not be compatible with the primary use of the Building for residential purposes. Sponsor reserves the right (but has no present intention) to amend the Building's Certificate of Occupancy or obtain a new Certificate of Occupancy or a zoning variance to authorize a different use of any or more Unsold Units. Moreover, Sponsor Units may be occupied by any Person or Persons approved by Sponsor, regardless of any relationship or lack of relationship with Sponsor.

O-1.6. Sponsor's Right to Access and Use Common Elements and Units. Sponsor will have the right, Freely and Without Consent, Payment or Restriction (other than the requirement to comply with the applicable Work Requirements set forth in the Declaration) to access and use the General Common Elements and Residential Limited Common Elements (including in particular, but not limited to, the Building Walls, the 130 West 30th Street Public Areas, the residential public halls and corridors, and the elevators), the sidewalks immediately adjacent to the Building (hereafter sometimes "**Sidewalk Areas**") and (to the extent necessary to meet Sponsor's Obligations) the Units in connection with the following (among others):

(a) the sale, rental, Promotion, Operation, management, use, occupancy or ownership of Unsold Units, including: (a-1) to install, erect, Maintain and Repair furnishings, wall and floor coverings and other Decorations in the public and residential areas, such as the 130 West 30th Street Public Areas, the public corridors and hallways, and other portions of the Common Elements; (a-2) to station sales and rental staff in the 130 West 30th Street Public Areas and in any concierge area and all other public portions of the Common Elements; (a-3) to erect, Maintain, Repair and Alter one or more Signs of any size, content, composition, material, design, illumination, character, color and/or appearance deemed appropriate by Sponsor on the Building Walls and adjacent Sidewalk Areas, in or on the 130 West 30th Street Public Areas, the public corridors and hallways, and elsewhere in or on the Common Elements; (a-4) to provide access to: sales and rental personnel, outside brokers, prospective Purchasers and renters, contractors and their subcontractors and workers, architects, engineers, decorators and other Persons authorized by Sponsor; and (a-5) to install, erect, Maintain, Repair, Alter and otherwise Operate Communications Equipment and Other Installations on Roofs and Roof Structures and in Equipment rooms and non-public portions of the Common Elements and to permit licensees to so do (as provided in Section 11.14 of the Declaration);

(b) the completion of the rehabilitation, renovation, equipping and outfitting of the Building (including the Units and Common Elements) in accordance with Sponsor's Plans and Specifications, as amended from time to time by Sponsor pursuant to this Plan;

(c) the Alteration and Repair of Unsold Units;

(d) the performance of any Work undertaken by Sponsor in this Plan, a Plan Amendment or a Purchase and Sale Agreement (whether performed before or after the First Closing or the Closing of Title under the applicable Purchase and Sale Agreement);

(e) the performance of any obligations to a tenant or occupant of an Unsold Unit or pursuant to a lease or otherwise; and

(f) the transportation and storage of materials, Equipment and supplies, and the temporary interruption of elevator, water, plumbing, electric and other Building services, in connection with the performance of: (f-1) the Alteration or Repair of Unsold Units; (f-2) the obligations or Work undertaken by Sponsor in this Plan or a Plan Amendment or a Purchase and Sale Agreement; or (f-3) the obligations of Sponsor to tenants or occupants of Unsold Units.

The Condominium Board and Unit Owners may not impose any fees, charges, impositions, restrictions, requirements, work rules or other limitations on, nor prevent or unreasonably impede or interfere with, the foregoing access to, and uses of, the General Common Elements, the Residential Limited Common Elements, the adjacent Sidewalk Areas or the Units by Sponsor or its Agents, Employees and Contractors, or any Disposition of an Unsold Unit. Nevertheless, such access to, and uses of, the General Common Elements, the Residential Limited Common Elements, the adjacent Sidewalk Areas and the Units must comply with all applicable Laws and may not unreasonably interfere with the quiet enjoyment of a Unit or the permitted use of a Residential Unit set forth in this Plan. In addition, when such access or use ends, Sponsor must Repair all damages caused by Sponsor's access or use and restore the affected General Common Elements, the Residential Limited Common Elements, adjacent Sidewalk Areas or the Units to as near as reasonable and economically practical to their condition existing immediately prior to such access or use.

O-1.7. Sponsor's Right to Obtain Cooperation of Condominium Board. The Condominium Board shall fully cooperate with Sponsor in connection with the exercise of Sponsor's Rights, including any Disposition of any one (1) or more Unsold Units (i.e., all Residential and Storage Units and the Commercial Units owned by Sponsor at the time in question), Freely and Without Consent, Payment or Restriction, except those out-of-pocket costs set forth below in connection with a Government Document or Litigation Document. In furtherance of such cooperation, within ten (10) calendar days after written request therefor is hand delivered or mailed to the Condominium Board or its Managing Agent, the Condominium Board shall properly complete, sign and return to Sponsor, and Sponsor shall receive, any requested Government Document or Litigation Document. In connection therewith:

(a) Sponsor shall pay or reimburse the Condominium Board for the governmental fees and charges or court costs in connection with a Government Document or Litigation Document, respectively, executed at the request of Sponsor under this subsection;

(b) Sponsor shall have the exclusive right to conduct and make all decisions in connection with the Lawsuit which is the subject of the Litigation Document, including the rights to select the attorney and to negotiate and determine the terms of settlement;

(c) Sponsor shall pay all legal fees and disbursements (other than those of any separate attorney the Condominium Board may retain), court costs and other expenses of such Lawsuit; and

(d) Sponsor shall indemnify the Condominium Board, and its officers, Board Members, employees and agents, and all Unit Owners from and against all Claims resulting from the Condominium Board's execution of a Government Document or Litigation Document, and from and against any authorized Work performed by contractors or other workers engaged by Sponsor pursuant to a Government Document, and from and against any action or inaction taken or omitted at the request of Sponsor in accordance with this subsection.

O-1.8. Sponsor's Right of Board Control and Representation. Sponsor, as Owner of Unsold Residential and Storage Units, shall exclusively appoint and designate five (5) Sponsor Board Members, who will constitute a majority of both all Board Members and the Residential Board Members and thereby have voting control of the entire Condominium Board and the Residential Board Members during only the Sponsor Board Control Period. At all elections held after the end of the Sponsor Board Control Period, for so long as there is at least one Unsold Residential Unit, Sponsor shall exclusively appoint and designate a specified lower number of Sponsor Board Members, who will then constitute a minority of both all Board Members and the Residential Board Members. At such time, a majority of the Condominium Board must be Owner-occupants or Owner-related occupants of the Building who are not related to Sponsor or its principals, thereby giving Sold Unit Owners voting control of the Board. These provisions are explained more fully in "Section P. Control By The Sponsor". See also Section Q, subsection Q-5.1 for exclusive right of the Sponsor Board Member(s) to appoint and designate officers of the Board (such officers may only act in connection with the Operation and affairs of Unsold Units). Sponsor Board Members may be removed "with good cause" by vote of a majority in number and Common Interest of all Unit Owners, excluding the Unit(s) owned by Sponsor or the Board (or the Board's nominee or designee), or "without cause" by only Sponsor. Any vacancy by a Sponsor Board Member (whether resulting from removal, resignation, death, incompetency, incapacity or otherwise) shall be filled by only Sponsor.

O-1.9. Sponsor's Right of Veto Control. Sponsor will have the right to veto certain actions of the Condominium Board (including decisions made by the Residential Board Members) during only the Sponsor Veto Control Period ("**Sponsor's Right to Veto**"), which will end on the *earlier* of: (a) the date that the Common Interests appurtenant to the Unsold Residential and Storage Units constitute less than 25% of the aggregate Common Interests of all Residential and Storage Units; or (b) the fifth (5th) anniversary of the First Closing of a Residential Unit. Sponsor's Right to Veto applies generally to Board actions to raise Common Charges (including Special Assessments) or to borrow money for non-essential purposes as explained more fully in Section P, subsection "P-2. Sponsor's Veto Control".

O-1.10. Sponsor's Right For Tenants of Unsold Units To Receive Building Services. The Condominium Board shall provide to each tenant and occupant of an Unsold Unit, and such tenant and occupant shall receive, without discrimination, all of the same Building services, amenities and facilities as are provided to all Sold Unit Owners. No fee, charge, impositions or Cost or Expense (other than regular Common Charges payable by all Unit Owners or all Residential Unit Owners, as applicable) shall be assessed by the Condominium Board against the tenant, occupant or Sponsor for Building services, amenities and facilities if: (a) such applicable Building services, amenities or Facilities are being provided to tenants of Residential Units at the date of First Closing without fee, charge or other imposition; or (b) such assessment is expressly not permitted under this Plan or the Condominium Documents; or (c) Sponsor or Sponsor's tenant or occupant is

expressly exempted therefrom under this Plan or the Condominium Documents; or (d) other Unit Owners are not similarly assessed. Building services, amenities and facilities include (if and to the extent applicable) all Building Systems (such as heat, electricity, gas, ventilation, elevator, intercom and plumbing), amenities (such as the lobby) and services of the superintendent and Building staff.

The Condominium Board shall diligently and in good faith remove any violation noted or issued against the Building if failure to do so: (a) prevents Sponsor from obtaining a rent increase or a desired amended or new Certificate of Occupancy; or (b) is grounds to reduce or withhold the rent of a tenant or occupant of an Unsold Unit. The Condominium Board shall also be obligated to Maintain and Operate the Building after the end of the Sponsor Board Control Period in substantially the same or better manner and condition as Maintained and Operated during the Sponsor Board Control Period (subject to Sponsor's Right to Veto during only the Sponsor Veto Control Period).

The Condominium Board will have no recourse of any kind against Sponsor for a violation of the Condominium Documents by a tenant or occupant of a Unit owned by Sponsor: (a) if the violation may not be enforced against such tenant or occupant; or (b) if (and during the period) Sponsor endeavors in good faith and with reasonable diligence to abate, enjoin or remedy the violation.

Any permitted fee, charge, imposition or Cost and Expense properly assessed by the Condominium Board against a tenant or occupant of an Unsold Unit in accordance with this Plan and the Condominium Documents shall be the personal responsibility of such tenant or occupant. In no event shall the Condominium Board have any recourse against Sponsor or an Unsold Unit, and Sponsor shall not be liable and no lien against an Unsold Unit shall arise, by reason of non-payment thereof by such tenant or occupant. Nothing herein will excuse Sponsor, as Owner of Unsold Residential and Storage Units, from paying the Residential Common Charges levied against all Residential and Storage Unit Owners to pay the Residential Common Expenses.

O-1.11. Sponsor's Rights of Indemnity and Self-Help. If the Condominium Board violates any of Sponsor's Rights or fails to perform or comply with its obligations under this Plan, an Amendment or the Condominium Documents, including those relating to the Repair, Maintenance, Alteration or restoration (after a casualty or a taking by eminent domain or condemnation of the Building or any portion thereof), then: (a) the Condominium Board will indemnify Sponsor from any resulting Claims and all Liabilities and Expenses; and (b) Sponsor will have the right (but not the obligation) and an irrevocable power of attorney ("coupled with an interest") to correct such violation or perform such defaulted obligation in the name, and at the Cost and Expense, of the Condominium Board.

This indemnity and right of self-help will apply only if: (a) the Board's violation or failure to perform occurs while the Independent Board Members constitute a majority of the Residential Board Members; and (b) (in the case of a violation issued or noted by a Governmental Authority against the Building) Sponsor is not obligated to correct the violation under this Plan.

In addition, before Sponsor undertakes any Work to be paid or reimbursed by the Condominium Board:

(a) Sponsor must first send to any Independent Board Member written notice ("**Self-Help Notice**") of Sponsor's election to do the Work at the Cost and Expense of the Condominium Board; and

(b) the Condominium Board must be given the following period to commence the Work: (b-1) thirty (30) calendar days from sending the Self-Help Notice (if, in Sponsor's reasonable

judgment, the Work will cost under $100,000); (b-2) sixty (60) calendar days from sending the Self-Help Notice (if, in Sponsor's reasonable judgment, the Work will cost $100,000 or more); or (b-3) ninety (90) calendar days from receipt of any proceeds of insurance (in the case of a casualty) or of any award (in the case of a taking by eminent domain or condemnation); and

(c) the Condominium Board must be allowed to complete the Work with reasonable diligence and continuity.

In the event the Condominium Board does not begin the Work within the applicable time period or the Condominium Board does not complete the Work with reasonable diligence and continuity, Sponsor may (but is not obligated) to proceed to do the Work in the name, and at the Cost and Expense, of the Condominium Board. In the event Sponsor elects to do the Work, the Condominium Board will reimburse Sponsor, promptly after written demand is made, for Sponsor's Costs and Expenses. Sponsor's demand must be accompanied by a detailed statement of the Costs and Expenses to be reimbursed and copies of any supporting bills. If full payment is not received by Sponsor within ten (10) business days after sending the demand, the Condominium Board will pay Sponsor per diem interest on the amount owed at the annual rate of sixteen percent (16%) (computed from the first day following the ten (10) business day period through the date payment is received by Sponsor) to reimburse Sponsor for loss of potential earnings thereon. In addition, the Condominium Board will reimburse Sponsor for the Costs and Expenses incurred to collect the amount owed.

O-1.12. Sponsor's Rights To Amend, and to Approve Amendments to, the Condominium Documents. Sponsor will have the right to amend the Condominium Documents without consent or approval of the Condominium Board or other Unit Owners or representatives of Unit mortgage lenders in order to:

(a) reflect Unit Changes to Unsold Units or to a Unit whose Owner has been transferred certain rights in the Declaration;

(b) apportion the Common Interests of the Unsold Units or other Unit affected by such Unit Changes whose Owner has consented thereto; and

(c) conform to objections made by: (c-1) an Institutional Lender in connection with an existing or proposed Unit mortgage; or (c-2) a Governmental Authority having jurisdiction over the Condominium Association or the Property; or (c-3) a title insurance company insuring title to a Unit.

However, such Amendment may not change the Common Interest of a Sold Unit, or require a Sold Unit to be physically modified, nor adversely affect the priority or validity of the lien of any purchase money mortgage or Institutional Lender's mortgage on a Sold Unit, unless the Owner of the affected Sold Unit or said mortgage lender (as may be appropriate) consent in writing to the Amendment.

So long as there is an Unsold Unit, Sponsor's prior written Discretionary Consent is required for any Amendment of any one (1) or more provisions of the Condominium Documents that would with reasonable likelihood: (a) unreasonably interfere with any Disposition of an Unsold Unit; (b) adversely affect any of Sponsor's Rights; (c) impose any discriminatory fee, charge, imposition or Cost and Expense against Sponsor or a Purchaser, tenant or occupant of an Unsold Unit; or (d) change the permitted use, occupancy, Common Interest or value of an Unsold Unit.

O-1.13. Sponsor's Right to Grant Easements, Licenses and Leases. For so long as Sponsor owns any Unit, Sponsor will have the right, in behalf of all Unit Owners, to grant easements, licenses and leases (collectively, "**Easements**" and individually, "**Easement**") to all or any portion of the Property as Sponsor deems necessary or desirable for: (a) the proper Operation and Maintenance of all or any portion of the Building; (b) the general health, safety or welfare of Owners or occupants of one (1) or more Units; (c) compliance with applicable Laws or requirements of Governmental Authorities having jurisdiction (including requirements to obtain an amended or new Certificate of Occupancy for the Building or a governmental permit to Operate any Building Equipment); or (d) the erection, installation, Maintenance and Operation of Communications Equipment and Other Installation and other "utility services" (as defined and provided in Section 11.11 of the Declaration).

This Sponsor's Right includes: (a) granting of Easements for: (a-1) telephone, electricity, gas, cable or wireless satellite television or other media, water, storm, sewer, drainage and other utilities; (a-2) a right of way; (a-3) ingress and egress; and (a-4) support or necessity; and (b) relocating Easements. However, no Easements may be granted that would with reasonable likelihood unreasonably interfere with the use of Units for their permitted purposes under this Plan or the Operation of, or business conducted in, the Commercial Units or any portion thereof. A utility company or other Person who is granted an Easement ("**grantee**"), and such grantee's Agents, Employees and Contractors, shall have and be given reasonable access to, from, through, across and on the Units and Common Elements in connection with Work to be performed in furtherance of the Easement.

O-1.14. Sponsor's Right to Approve Certain Sold Unit Alterations. During only the Sponsor Veto Control Period, no Sold Residential Unit Owner may Alter (including replace, furnish, landscape, paint or otherwise Decorate) the windows or entrance doors of the Owner's Sold Residential Unit or its appurtenant Terrace or Planting Terrace, or any other portions or areas of such Unit exposed to public view, without obtaining the prior written Discretionary Consent or Approval of Sponsor in each instance.

O-1.15. Sponsor's Right to Enter into Agreements Binding on Association. Sponsor reserves the right, prior to the First Closing of a Residential Unit, to renew, extend and modify existing employment, service, management, maintenance, utility and telecommunications agreements, leases and licenses (collectively, "**Service Agreements**"), and to enter into new Service Agreements, for the Building on such terms as Sponsor deems desirable. All such Service Agreements will be binding on the Condominium Association, but the Plan will be amended to disclose any Service Agreements that will materially increase the projected Common Charges or are for a term longer than five (5) years, other than utility, telecommunications and similar Service Agreements that customarily are for terms longer than five (5) years. See Section W, subsection W-3 for discussion.

O-2. Obligations of Sponsor. All of Sponsor's Obligations set forth in this Section O and elsewhere in the Plan (collectively, "**Sponsor's Obligations**") are contingent upon Sponsor declaring the Plan effective, the Effectiveness Amendment being duly filed by the Attorney General and the Plan being consummated with the First Closing of a Residential Unit (see "Section L. Effective Date"). The foregoing shall not excuse Sponsor from Sponsor's obligations to comply with Article 23-A of the General Business Law or Part 20 of the Attorney General's regulations. The Condominium Board shall have the exclusive right to enforce Sponsor's obligations, other than those of Sponsor's Obligations that the Attorney General has the exclusive right to enforce under said Article 23-A and Part 20. The foregoing, however, shall not preclude or

prevent a Purchaser from separately enforcing any violation or default by Sponsor under the Purchase and Sale Agreement that involves only Purchaser's Unit.

O-2.1. Sponsor's Obligation to Defend and Indemnify Condominium Board and Unit Owners. Sponsor shall defend (with an attorney selected by Sponsor) and indemnify the Condominium Board and Unit Owners from and against any suits or proceedings arising out of Sponsor's negligent or improper acts or omissions, provided and on condition that written notice of any matter for which indemnity is sought is sent by any Independent Board Member to Sponsor within a deadline of three (3) months after learning of same, but in no event later than a deadline of three (3) months after a permanent Certificate of Occupancy for the Residential Units is issued. TIME IS OF THE ESSENCE to send said notice within such three (3) months deadline period. Sponsor's obligation to defend and indemnify does not include, and Sponsor shall not be liable for, suits or proceedings arising from the ownership, use, administration, management, Operation or other Disposition of: (a) the Common Elements that accrue from and after the First Closing of a Residential Unit; or (b) a Unit that accrue from and after the Closing of Title to the Unit. The foregoing, however, will not excuse Sponsor from liability to Purchasers for those obligations and liabilities under a Purchase and Sale Agreement that are expressly stated to survive the Closing of Title, or liability for failure to perform an obligation imposed on Sponsor by Law. The Condominium Board or affected Unit Owner ("**Indemnified Party**") shall promptly notify Sponsor in writing of any suit or proceeding for which indemnity is sought. Sponsor shall have the exclusive right to control the defense, compromise and settlement of the suit or proceeding. The Indemnified Party shall fully cooperate and make available to Sponsor and Sponsor's attorneys such information, documents and witnesses under the control or in the possession or employ of the Indemnified Party as are reasonably related to the defense of the suit or proceeding. Failure of the Indemnified Party to strictly comply with the foregoing shall release and discharge Sponsor from Sponsor's obligation to defend and indemnify the Indemnified Party.

O-2.2. Survival of Sponsor's Representations and Obligations. All representations under the Plan, all obligations pursuant to the GBL, and such additional obligations under the Plan which are to be performed subsequent to the First Closing of a Residential Unit or under a Purchase and Sale Agreement will survive delivery of the deed.

O-2.3. Sponsor's Obligation for Carrying Costs of Unsold Units. Sponsor agrees to pay all Common Charges, Special Assessments and real estate taxes with respect to its Unsold Units (see Section R, subsection R-3.4 for the Board's statutory lien on each Unit for unpaid Common Charges and the Board's remedies, including foreclosure of such lien). Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units and will fund its financial obligations to the Condominium Association from sales of Unsold Units, the net avails from rentals of Unsold Units (including the Commercial Units), the unfunded portion of any construction loan, and existing cash reserves and/or payments from Sponsor's members, if and to the extent made available. No bond or other security has been furnished to secure Sponsor's obligations.

O-2.4. No Obligation for Damages to a Unit. If a Purchaser's Unit is damaged from a casualty or other cause occurring before title passes to Purchaser, Sponsor will have the right, but will not be obligated, to repair the damage. If the damage is not repaired by Sponsor or the Condominium Board (if the First Closing of a Residential Unit has occurred and the Board is responsible to repair) and Purchaser is not responsible to repair as provided below, the Purchase and Sale Agreement will be cancelled and the Deposit returned to Purchaser together with any earned interest and any Net Refundable Special Work Payment (if and to the extent applicable). Purchaser shall not have the right to cancel the Purchase and Sale Agreement or recover the Deposit if Sponsor or the Board repairs the damage or if Purchaser is given possession of the Unit prior to Closing of Title

pursuant to an Interim Lease, or Purchaser is at fault for causing the loss or damage. See Section M, subsection M-2 for full discussion.

O-2.5. Sponsor's Obligation for Property Insurance. Sponsor shall procure at the expense of the Condominium Board fire and casualty insurance pursuant to an "agreed amount replacement value" policy as reflected in SCHEDULE B (in Section F above). The effect of an agreed amount replacement value policy is to waive any co-insurance claim of the insurer, but does not mean that the Condominium Association would necessarily realize sufficient insurance proceeds to rebuild or restore the Building in the event of a substantial or total destruction. The insurance provided in SCHEDULE B to be maintained by the Condominium Board does not include coverage for: (a) fire or casualty losses to Unit contents, replacements, additions, fixtures (other than the Building's standard kitchen and bathroom fixtures); or (b) liability for occurrences within or on a Unit, including a Terrace or Planting Terrace. Unit Owners should consider the desirability of obtaining such coverages at their own cost. See the "Insurance" footnote to SCHEDULE B for all insurance coverages to be obtained.

O-2.6. Sponsor's Obligation on Dissolution or Liquidation. In the event of the dissolution or liquidation of Sponsor or the transfer of ten (10) or more Units or twenty percent (20%) or more of the total number of Units in the Condominium, whichever is less, the principal of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under the Plan, applicable Laws or regulations and in the event of dissolution or liquidation, the principal of Sponsor shall guarantee the performance of such obligations.

O-2.7. Construction Financing. Sponsor has sufficient financial resources to complete the rehabilitation and renovation of the Building, including the Units, without a construction loan. Nevertheless, Sponsor intends to obtain a construction loan but has not formally applied for a loan as at this writing. Sponsor projects procuring a firm commitment for construction financing by July 1, 2003, or sooner. If a firm commitment for a construction loan satisfactory to Sponsor is not received, Sponsor will proceed with rehabilitation and renovation of the Building and Units in accordance with Sponsor's construction schedule to obtain a partial temporary Certificate of Occupancy by July 1, 2003, the projected date of First Closing of a Residential Unit. Sponsor will amend the Plan to disclose the relevant information concerning construction financing if and when a firm commitment therefor has been issued and accepted by Sponsor.

O-2.8. Sponsor's Construction Obligation. Sponsor is obligated to rehabilitate, renovate, equip and outfit the Building (including the Units and Common Elements) in accordance with Sponsor's Building Plans and Specifications filed with, and approved by, the Department of Buildings of The City of New York, as such Plans and Specifications may be amended from time to time pursuant to this Plan. A report describing some of the more material aspects of the Plans and Specifications, prepared by Sponsor's architect, is contained in Part II of this Plan as DOCUMENT 4. Sponsor has the right: (a) to make Unit Changes in accordance with subsection I-4 above, but subject to compliance with subsections I-5 and I-6 above; and (b) to substitute Equipment or materials (including: HVAC/Mechanical/Utility Building Systems; appliances; cabinets; countertops; wall, floor and ceiling finishes and coverings; and Decorations of the Common Elements); (c) to make modifications of layout and design; and (d) generally, to change all other construction details (all the foregoing are collectively "**Construction Changes**"); provided, however, that Sponsor shall comply with the following requirements ("**Construction Change Requirements**"): (x) Sponsor may not substitute Equipment or materials of lesser quality or design; or (y) Sponsor may not change the size or location of the Building or Units or other improvements or Common Elements if such change affects the percentage of Common Interests, or adversely affects the value of any Unit to which title has closed unless the affected Unit Owner consents in writing to such changes,

or if such change materially increases the percentage of Common Interest, or adversely affects the value, of any Unit for which a Purchase and Sale Agreement has been executed and is in effect unless the affected Purchaser consents in writing to such changes or is offered the right to rescind the Purchase and Sale Agreement and recover the Deposit together with any earned interest thereon and any Net Refundable Special Work Payment (if to the extent applicable). Sponsor may make immaterial or minor Construction Changes without prior notice or Amendment. This Plan, however, will be amended to disclose any material Construction Changes as required by Article 23-A of the General Business Law and Part 20 of the Attorney General's regulations.

O-2.9. Certificate of Occupancy. Prior to the First Closing of a Residential Unit, Sponsor must obtain a temporary or partial Certificate of Occupancy for the Building authorizing the residential use of the Residential Unit to be closed. Prior to the Closing of Title of each Unit, Sponsor must obtain either a permanent Certificate of Occupancy for the Building or a temporary or partial Certificate of Occupancy for the Building authorizing the use of the Unit to be closed for the purpose set forth in this Plan. Sponsor will endeavor in good faith: (a) to continuously renew or extend the temporary Certificate of Occupancy until the issuance of a permanent Certificate of Occupancy for all Units; and (b) to complete or substantially complete the rehabilitation and renovation of the Common Elements to the extent sufficient to permit the issuance of a permanent Certificate of Occupancy of the Building within two (2) years after the issuance of the original temporary Certificate of Occupancy. Under the Multiple Dwelling Law ("**MDL**"), a temporary Certificate of Occupancy may only be renewed or extended for a maximum of two (2) years from the date of its original issuance. If a temporary Certificate of Occupancy expires before the issuance of a permanent Certificate of Occupancy, the Building will be in violation of the MDL, subjecting occupants to potential eviction by the applicable Governmental Authorities having jurisdiction, and subjecting the Board and Unit Owners to potential penalties provided by Law. In practice, however, the Department of Buildings of The City of New York has often renewed or extended a temporary Certificate of Occupancy beyond the two (2) year limitation contained in the MDL, provided the customary requirements for granting the renewal or extension are met. Sponsor and Selling Agent do not assure, represent or guarantee that the temporary Certificate of Occupancy will be continuously renewed or extended beyond said two (2) year limit or until a permanent Certificate of Occupancy is issued.

No permanent Certificate of Occupancy will be issued until the floors occupied by the existing commercial tenants are vacated and the floors rehabilitated with Residential and Storage Units, which will not occur within said two (2) year limitation unless leases for certain floors are voluntarily terminated pursuant to their expiration dates and the tenants thereunder vacate (see Section C, subsection C-3 above). Since the issuance of the permanent Certificate of Occupancy may also be delayed until alterations (if any) undertaken by Unit Owners are completed or substantially completed, the prior written Discretionary Approval or Consent of Sponsor must be obtained before any alteration may be performed that requires an alteration application to be filed with, or a work permit to be issued by, the New York City Department of Buildings or other Governmental Authority (see Section 15.2, clauses (k) and (l) of the Declaration for full discussion, including the rights and remedies of Sponsor to avoid delaying the issuance of a permanent Certificate of Occupancy).

O-2.10. Security for Permanent Certificate of Occupancy. Sponsor is required to maintain all Deposits and funds paid on account of the Purchase Price (but not any payments given for special work ordered by Purchasers) in the special escrow account required by General Business Law Section 352-e(2-b) unless Sponsor's engineer, architect or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work for the Common Elements and the Building services to be provided to all Units needed to obtain a permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified by Sponsor's engineer, architect or other qualified expert may be released from the special escrow account. Alternatively,

Sponsor must deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified, or in an account that, when added to the Deposits being maintained in the special escrow account, will equal not less than the amount so certified. Sponsor may also use as collateral to similarly secure its obligation to obtain a permanent Certificate of Occupancy, the unfunded portion of a construction loan (if any) or other collateral acceptable to the Department of Law and disclosed in an Amendment to this Plan. As the work progresses, Deposits held for Units conveyed to Purchasers may be released to Sponsor from time to time, provided the remaining Deposits maintained in the special escrow account, together with said unfunded construction loan (if any) or other acceptable collateral, shall be not less than the amount then so certified to be reasonably necessary to complete all remaining work for the Common Elements and the Building services to be provided to all Units in order to obtain a permanent Certificate of Occupancy.

O-2.11. Sponsor's Obligation for Construction Defects.

O-2.11.1. Building Construction Standard. The quality of the workmanship and materials to reconstruct and renovate the Building (including the Units and Common Elements) will meet or exceed any relevant specific standards required by any applicable building code or, if no such standard is required, the workmanship and materials will meet or exceed the standards of locally accepted building practices for substantially rehabilitated and renovated buildings located in the locale of the Property and containing building Facilities and amenities comparable to this Building ("**Building Construction Standard**").

O-2.11.2. Definitions. The term "**Construction Defect**" means a defect in construction caused by substantially improper workmanship or material that substantially varies from Sponsor's Building's Plans and Specifications (as modified by Construction Changes, if any, made in accordance with Construction Change Requirements) or a defect in design which renders a portion of the Building (including the Common Elements and Units, and the Equipment in each) unsafe or inoperable.

The term "**Defect Notice**" means a written notice of a Construction Defect.

The term "**Latent Construction Defect**" means a Construction Defect that is not a Patent Construction Defect.

The term "**Minor Construction Defect**" means any of the following:

(a) all Construction Changes made in accordance with Construction Change Requirements;

(b) all minor variations from: Sponsor's Building's Plans and Specifications, the floor plans of a Unit or a description of the rehabilitation and renovation of the Building (including the Units and Common Elements) set forth in this Plan;

(c) all variations necessitated by site conditions or construction or job requirements, provided all Construction Change Requirements are met to the extent applicable;

(d) all Construction Defects covered by assignable, unexpired warranties or other undertakings (however denoted) from manufacturers, contractors, suppliers or others that are assigned to, or benefit (without assignment), a Unit Owner or the Condominium Board;

(e) any condition caused by normal use, wear, tear, deterioration, settlement or shifting; and

(f) all minor conditions or defects involving color, alignment, fit, noise, drafts, cracks, chips, scratches, breaks, warpage or other imperfections.

The term "**Patent Construction Defect**" means a Construction Defect that is visible or readily ascertainable on inspection (without intrusive examination behind walls, floors or ceilings).

O-2.11.3. Sponsor's Obligation to Correct Construction Defects. Sponsor's only obligations and liability for Construction Defects are as follows:

(a) (in the case of a Residential or Storage Unit) to correct the Patent Construction Defects in a Purchaser's Residential or Storage Unit that are listed in Purchaser's Final Inspection Statement (to be completed and signed by Purchaser, and received by Sponsor or its representative, before Title Closing) and to correct the Latent Construction Defects (If any) in Purchaser's Unit that are listed in a reasonably detailed Defect Notice signed by Purchaser and received by Sponsor within a deadline of three (3) months following the date Purchaser Closes Title to the Unit; and

(b) (in the case of the Common Elements) to correct those Construction Defects (both Patent and Latent) in the Common Elements that are listed in a reasonably detailed Defect Notice signed by any Independent Board Member and received by Sponsor within a deadline of three (3) months after the first election of the Independent Board Members, except: (b-1) (with respect only to a portion of the Common Elements for which construction is completed during or after such three (3) months period) such Defect Notice must be received by Sponsor within three (3) months after completion of construction of such portion of the Common Elements; or (b-2) (with respect only to a portion of the Common Elements that is within, encloses or affects only an Unsold Residential Unit and can only be detected after such Unsold Unit is occupied) such Defect Notice must be received by Sponsor within a deadline of three (3) months after the earlier of the occupancy or Title Closing with a bona fide Purchaser of such Unsold Unit.

All Defect Notices are to be sent by certified mail (return receipt requested) to both: Sponsor, 130 West 30th, LLC, at 115 West 30th Street, New York, New York 10001; and simultaneously to Sponsor's attorneys, Mandel Resnik Kaiser Moskowitz & Greenstein P.C., at 220 East 42nd Street, New York, NY 10017, Attn: Alan L. Kazlow, Esq.

All time periods stated above are "TIME OF THE ESSENCE", or deadline, periods. As a result, Sponsor shall have no obligation or liability for: (a) Patent Construction Defects in a Purchaser's Unit that are not listed in a Purchaser's Final Inspection Statement received by Sponsor before Title Closing; or (b) Latent Construction Defects in a Purchaser's Unit or Patent and Latent Construction Defects in the Common Elements for which said written Defect Notice is not timely and properly signed and sent to, and received by, Sponsor within the applicable three (3) months deadline period set forth above.

Minor Construction Defects, whether affecting a Unit and/or the Common Elements or existing at the time of Title Closing to a Unit or arising thereafter: (a) shall not be corrected or repaired by Sponsor; (b) shall not be the basis of any Claims against, or Costs and Expenses recoverable from, Sponsor, a Sponsor Related Party or Sponsor's employees, agents or attorneys; and (c) shall not excuse a Purchaser from Purchaser's obligations under the Purchase and Sale Agreement to pay the full Purchase Price, without abatement, set-off or credit and without recourse of any kind against Sponsor, Sponsor's Related Parties, or Sponsor's Agents, Employees or Contractors or Sponsor's attorneys (it being intended and agreed that the Units shall be sold and conveyed, and purchased and acquired by Purchasers, subject thereto).

O-2.11.4. Remedy. If Sponsor defaults in Sponsor's Obligations to correct a Construction Defect, the sole right and remedy of a Purchaser (if the Construction Defect pertains to Purchaser's Residential or Storage Unit) or the Condominium Board (if the Construction Defect pertains to the Common Elements) is for specific performance to compel Sponsor to repair, replace or otherwise correct such Construction Defect and in no event will Sponsor, a Sponsor Related Party, or Sponsor's Agents, Employees and Contractors or Sponsor's attorneys be liable for any losses or damages (whether actual, consequential, incidental, special, indirect or otherwise) based on negligence, breach of contract or implied warranty or otherwise resulting therefrom.

The Condominium Board or (during only the Sponsor Board Control Period) the Independent Board Members shall have the exclusive right to enforce Sponsor's Obligations to correct Construction Defects in the Common Elements, or Sponsor's failure to complete the rehabilitation and renovation of the Building in accordance with Sponsor's Building Plans and Specifications as amended from time to time pursuant to this Plan, or Sponsor's failure to obtain a permanent Certificate of Occupancy in accordance with the requirements of this Plan.

Sponsor shall be regarded as having satisfied Sponsor's Obligations to correct Construction Defects if the corrective work is done in accordance with the Building Construction Standard as determined in the sole judgment of Sponsor's architect, engineer or contractor (who shall not be a principal of Sponsor). Sponsor shall be excused, released and discharged from Sponsor's Obligations for Construction Defects in the Common Elements if reasonable access thereto by Sponsor and Sponsor's Agents, Employees and Contractors is prevented and is not given within thirty (30) calendar days after written notice thereof is mailed by certified mail (return receipt requested) or hand delivered to an Independent Board Member.

Except for Sponsor's Obligations to correct Construction Defects in the Common Elements set forth above, Sponsor does not warrant the workmanship or materials of construction of the Common Elements or Units.

O-2.11.5. No Housing Merchant Implied Warranty. The Housing Merchant Implied Warranty Law (Article 36-B of the General Business Law) is not applicable to this offering or the sale of Residential Units.

O-2.12. Assignment of Warranties. Any transferable and unexpired warranties of manufacturers, contractors or material suppliers: (a) with respect to appliances or Equipment installed in a Residential Unit, will be assigned by Sponsor to the Purchaser of such Unit at Title Closing; or (b) with respect to appliances or Equipment installed in, and part of, the Common Elements, will be assigned by Sponsor to the Condominium Board at the First Closing of a Residential Unit or (if installed thereafter) with reasonable promptness after installation. Such assignments by Sponsor to a Purchaser and the Condominium Board will be made (and will so expressly state are being made) without any kind whatsoever of guaranty, warranty or representation by, or recourse against, Sponsor, and subject to all faults, defects, risks, damages, conditions and need for repairs or corrections.

O-2.13. Sponsor's Obligation to Pay for Work and to Remove Mechanics' Liens. Sponsor agrees to pay for the authorized and proper Work involved in the rehabilitation and renovation of the Building, the establishment of the Condominium and the sale of the Units that Sponsor is obligated to complete under this Plan and will cause mechanics' liens with respect to such rehabilitation and renovation to be promptly discharged or bonded. Alternatively, at Sponsor's option, Sponsor may cause a Purchaser's title insurer to affirmatively insure Purchaser and Purchaser's mortgage lender (if any), without additional premium, that any such mechanics' liens shall not be collected from, or enforced against, Purchaser's Unit and its appurtenant Common Interest.

O-2.14. Sponsor's Obligation to Deliver "As Built" Plan to Condominium Board. With reasonable promptness after issuance of the permanent amended or new (as applicable) Certificate of Occupancy for the Building, Sponsor will deliver to the Condominium Board or its Managing Agent a set of "as built" plans used for the major components of the rehabilitation and renovation involving the Building's Systems.

O-2.15. No Bond or Security for Sponsor's Obligations. No bond or other security has been, nor will be, furnished to secure Sponsor's Obligations, including Sponsor's Obligations to complete the rehabilitation and renovation of the Building (see Section A, subsection A-23 above).

O-2.16. Sponsor's Obligation to Repair Damages. Sponsor has a right of access to the Common Elements and Units to complete the rehabilitation, renovation, equipping and outfitting of the Building (including the Common Elements and Units), but Sponsor may not unreasonably interfere with the quiet enjoyment of a Unit or the permitted use of a Residential Unit set forth in this Plan and when such access or use ends Sponsor must Repair all damages caused by Sponsor's access to or use of the Common Elements or Units so as to restore the affected Common Elements or Units (as applicable) to as near as reasonable and economically practical to their condition existing immediately prior to such access or use (see subsection O-1.6 above for full discussion).

O-2.17. Sponsor's Working Capital Fund Obligation. Sponsor will advance the Initial Working Capital Fund in accordance with "Section V. Working Capital Fund".

O-2.18. Sponsor's Obligation for Offering and Sales Expenses. Sponsor will pay all expenses in connection with the preparation, filing and distribution of this Plan and all Amendments promulgated by Sponsor, and the offering for sale of Sponsor's Unsold Units. These expenses include: (a) the filing fees of the Department of Law; (b) fees and disbursements of Sponsor's attorneys, architect, engineer and other professionals; (c) printing costs; (d) commissions earned by the Selling Agent and any participating broker Sponsor may engage; and (e) all Title Closing expenses to be paid by Sponsor under the Purchase and Sale Agreement (if any).

O-2.19. Sponsor's Obligation for Establishing the Condominium. Prior to the First Closing of a Residential Unit, Sponsor will pay all expenses to prepare, record and file the Condominium Documents with the appropriate Governmental Authorities. See Section M, subsection M-6 above.

O-2.20. Sponsor's Obligation for First Closing. Sponsor will fulfill all obligations to be paid or performed by Sponsor at or prior to the First Closing of a Residential Unit as set forth in this Plan, including the following: (a) obtaining, at the expense of the Condominium Association, the insurance coverages set forth in SCHEDULE B (in Section F); (b) establishing the Condominium (see subsection O-2.19 above); (c) obtaining the consent and limitation of lien, or subordination of lien, or release of lien from holders of existing mortgages not satisfied at the First Closing, as provided in Section M, subsection M-7 above; (d) advancing the Initial Working Capital Fund; (e) apportioning Building expenses with the Condominium Board and (if in favor of the Board) paying the net amount owing to the Condominium Board (see Section N, subsection N-1.4 above); and (f) assigning to the Condominium Board on behalf of Unit Owners (without guaranty, warranty or representation; without recourse against Sponsor; and subject to all faults, risks, damages, conditions and need for repairs, unless otherwise expressly provided in the Plan) the following: (f-1) all personal property and Equipment comprising the Common Elements; (f-2) all service, maintenance and employment agreements for the Building ("**Building Agreements**") in accordance with SCHEDULE B - - First Year's Budget in Section F (the Condominium Board shall sign and deliver to Sponsor an agreement (prepared by Sponsor's attorney and in substance satisfactory to Sponsor) assuming all Building Agreements and indemnifying Sponsor from all

Claims and Liabilities and Expenses arising under them for events accruing on or after the First Closing of a Residential Unit); and (f-3) any warranties, guaranties or bonds of third parties relating to the Common Elements that are transferable and have not yet expired.

O-2.21. Sponsor's Obligation on Documents for Inspection and Delivery to Condominium Board. Sponsor will comply with the requirements of Section Z. Documents on File". These include: (a) the requirement for six (6) years from the First Closing to make available for public inspection (without charge) and copying (at a reasonable charge) the Plan, Plan Amendments filed by Sponsor and certain other documents and exhibits referred to in the Plan or filed with the Department of Law; and (b) the requirement to deliver to the Condominium Board a copy of the recorded Declaration (and By-Laws) establishing the Condominium.

O-2.22. Sponsor's Obligation for Violations. Sponsor, at its sole Cost and Expense, will be obligated to correct within a reasonable period of time after the First Closing of a Residential Unit (subject to delays due to Unavoidable Causes) any violation noted or issued against the Property at the First Closing, other than: (a) violations caused by acts or omissions of tenants in their own Units, unless Sponsor is otherwise required to correct the conditions causing such violations under the lease with the applicable tenant; (b) violations to be remedied by a tenant or licensee of a Commercial Unit; and (c) violations involving asbestos containing material. At the First Closing of a Residential Unit, Sponsor will escrow with Mandel Resnik Kaiser Moskowitz & Greenstein P.C. an irrevocable and unconditional letter of credit, or cash, or equivalent security, to secure the foregoing obligation. The amount escrowed will be sufficient to correct such violations as estimated by an independent architect or engineer selected by Sponsor. The escrowed monies or security will be released to Sponsor or reduced (as applicable) as the corrective work progresses, provided that the balance left in escrow is sufficient to complete the remaining work as estimated by said architect or engineer. Any interest on the sums escrowed will not be part of the escrowed funds and will belong and be paid to Sponsor when earned and collected.

O-2.23. Sponsor's Obligation for Official Inspection Certificates, Permits and Reports. Sponsor, at its sole Cost and Expense, will be obligated: (a) to update any official inspection certificate or permit for the Building's Equipment that expires at or prior to the First Closing of a Residential Unit, including (to the extent applicable) those with respect to air resources, oil storage, elevators, sprinkler system, boiler and fire protection; and (b) if the time period to file the Local Law 11 report with respect to the Building Walls expires prior to said First Closing of a Residential Unit, to cause such report to be prepared and filed in accordance with said Law. Sponsor will further be obligated to pay and perform: (a) all Work required to obtain such updated official inspection certificates and permits; and (b) all Work mandated to be performed by Local Law 11 pursuant to a Local Law 11 report filed or required to be filed prior to the First Closing of a Residential Unit. The Condominium Board will be solely responsible to pay and perform these obligations with respect to official inspection certificates and permits that expire, and the Local Law 11 report required to be filed, subsequent to the First Closing of a Residential Unit.

END OF SECTION O

SECTION P. CONTROL BY THE SPONSOR

P-1. Sponsor's Voting Control.

P-1.1. Voting Control Period. Sponsor, as Owner of Unsold Residential and Storage Units, shall have "voting control" (defined below) of the Condominium Board for five (5) years from the First Closing of a Residential Unit or whenever the Unsold Residential and Storage Units constitute less than 50% in number and Common Interest of all Residential and Storage Units, whichever is sooner (i.e., the Sponsor Board Control Period). The term "**voting control**" means Sponsor's exclusive right during only the Sponsor Board Control Period, as Owner of Unsold Residential and Storage Units: (a) to appoint and designate five (5) Sponsor Board Members, who will constitute a majority of both the seven (7) Residential Board Members and all nine (9) Board Members; and (b) to both nominate and vote for all Independent Board Members. At all elections held after the end of the Sponsor Board Control Period, Sponsor will no longer have the right to nominate candidates to serve as the Independent Board Members (who will then constitute a majority of the Board Members) and thus Sponsor cannot exercise voting control of the Condominium Board, although Sponsor shall continue to have the right, for so long as Sponsor owns at least one (1) Unsold Residential Unit, to vote for all Independent Board Members and to exclusively appoint and designate two (2) or one (1) Sponsor Board Member(s) (as applicable), who will then constitute a minority of both all Board Members and the Residential Board Members. See Section Q, subsection Q-1 for discussion of number, composition and election of the Board Members.

Sponsor will cause the Condominium Board to call a special meeting of Unit Owners to be held within approximately 30 calendar days after the expiration of the Sponsor Board Control Period for the purpose of electing three (3) Independent Board Members (i.e., individuals who are unrelated to Sponsor and Sponsor's principals). Effective upon the election and qualification of such three (3) Independent Board Members, Sponsor shall cause three (3) Sponsor Board Members to resign. At such time, the Independent Board Members will constitute a majority of both the Residential Board Members and all Board Members. See Section Q, subsection Q-1.2 for requirement of a majority of the Board Members to be Owner-occupants or Owner-related occupants who are not related to Sponsor or its principals at all elections held after the end of the Sponsor Board Control Period.

P-1.2. Consequences of Sponsor's Voting Control. As a result of Sponsor's voting control of the entire Board and the Residential Board Members during only the Sponsor Board Control Period, Sponsor will be able to control the decisions to be made by the Residential Board Members, including those concerning:

(a) the Building's Operations and services, which are, nonetheless, to be Maintained and provided in accordance with the Building's Maintenance Standard and the level of standards, quality and requirements of Sponsor in accordance with, and as stated in, this Plan;

(b) the amount of the Common Charges (including the Residential Common Charges and General Common Charges), which are, nonetheless, to be in an amount sufficient to provide the level of Building services, amenities and facilities in accordance with, and as stated in, this Plan; and

(c) the expenditures of the Working Capital Fund (which may be used for Operating or working capital and to defray increases in Common Charges payable by Residential and Storage Unit Owners, but may not be used to reduce Common Charges below the projected Common Charges in SCHEDULE B, the First Year's Budget), as explained in "Section V. Working Capital Fund".

P-2. Sponsor Veto Control.

P-2.1. Veto Control. During only the Sponsor Veto Control Period (defined in subsection P-2.3 below), the Condominium Board (including the Residential Board Members) and the Residential and Storage Unit Owners (as to any vote or action by them) must obtain Sponsor's prior written Discretionary Approval or Consent to do any of the following:

(a) to raise General Common Charges or Residential Common Charges or levy a Special Assessment for any of the following purposes:

(a-1) to make an Alteration to the General Common Elements, the Residential Limited Common Elements, the Association's General Properties or the Association's Residential Properties (the latter includes any Residential or Storage Unit owned, leased or otherwise held or Operated by the Board, or its nominee or designee);

(a-2) to create a reserve fund for Repairs, Alterations, unanticipated expenses and/or contingencies which, in the aggregate, exceed five percent (5%) of the projected annual General Common Expenses or five percent (5%) of the projected annual Residential Common Expenses (as applicable) for any Budget Year of Condominium Operation;

(a-3) to increase, decrease, eliminate or otherwise change the number, type, classification or working hours of the Building's service staff from those set forth in the First Year's Budget (SCHEDULE B in Section F above);

(a-4) to increase, decrease or eliminate Building services by (for example) entering into contracts for new or additional services or maintenance work not included in said First Year's Budget, or failing to provide for any service or maintenance contract set forth in said First Year's Budget or otherwise; or

(a-5) to increase, decrease, eliminate or otherwise change the amounts or types of insurance coverage from those set forth in said First Year's Budget; or

(b) to borrow money on behalf of the Condominium Association.

Sponsor, however, will give its Discretionary Approval or Consent if the Costs and Expenses (as determined by Sponsor, in its sole and absolute judgment) of the proposed action requiring Sponsor's Discretionary Approval or Consent, when added to all other budgeted General Common Expenses or Residential Common Expenses (as applicable), will not increase the General Common Charges or Residential Common Charges (as applicable), inclusive of any Special Assessments of the Condominium Board, for any Budget Year of the Condominium, by more than five percent (5%) above the General Common Charges or Residential Common Charges (as applicable) for the immediately preceding Budget Year of the Condominium.

Sponsor will have the exclusive right to exercise veto control during only the Sponsor Veto Control Period while Sponsor owns one (1) or more Unsold Residential Units. If Sponsor no longer owns any Unsold Residential Units, each successor Unsold Residential Unit Owner (if any) will have the same right of veto control as Sponsor during only the Sponsor Veto Control Period.

P-2.2. Limitations on Veto Control. Sponsor may not exercise veto control over expenses described in the First Year's Budget (SCHEDULE B in Section F) or over expenses required: (a) to comply with applicable Laws or regulations; (b) to remedy a governmental notice or violation; or (c) to remedy a Work order by an insurer of the Building.

P-2.3. Veto Control Period. The Sponsor Veto Control Period will end on the *earlier* of: (a) the date that the Common Interests appurtenant to the Unsold Residential and Storage Units constitute less than 25% of the aggregate Common Interests of all Residential and Storage Units; or (b) the fifth (5th) anniversary of the First Closing of a Residential Unit under this Plan.

END OF SECTION P

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SECTION Q. BOARD OF MANAGERS

The affairs of the Condominium will be governed and administered by the Condominium Board. This Section discusses the number, composition, eligibility, elections, term, indemnity, compensation and removal of Board Members and officers, the voting rights of Unit Owners, the requirements to amend the Declaration and By-Laws, the requirements for Board meetings, and the requirements for quorum and decisions of the Board and Unit Owners. The powers and duties vested in the Condominium Board in the Declaration, the By-Laws and the Condominium Act are discussed in "Section R. Rights and Obligations of the Unit Owners and the Board of Managers".

Q-1. Condominium Board; Elections; Term; Unit Owner's Meetings.

Q-1.1. Number and Composition. Initially, the Condominium Board will consist of one (1) Board Member, who will be appointed and designated exclusively by Sponsor and will conduct all business and affairs of the Condominium Association until the first meeting of Unit Owners is held to elect a new nine (9) member Condominium Board, which will consist of seven (7) Residential Board Members and two (2) Commercial Board Members. The seven (7) Residential Board Members will consist of five (5) Sponsor Board Members and two (2) Independent Board Members during only the Sponsor Board Control Period. At all elections held after the end of the Sponsor Board Control Period, the Independent Board Members will comprise a majority of both the seven (7) Residential Board Members and all nine (9) Board Members, and the Sponsor Board Members will then be limited to: (a) two (2) Sponsor Board Members for so long as the Unsold Residential and Storage Units constitute in the aggregate 20% or more in number or Common Interest of all Residential and Storage Units; or (b) one (1) Sponsor Board Member for so long as the Unsold Residential and Storage Units constitute in the aggregate less than said 20% threshold, but not less than one (1) Unsold Residential Unit.

Q-1.2. Eligibility. Each Independent Board Member must be either a Sold Residential Unit Owner (including a Sponsor Related Party who acquires a Sold Residential Unit for the bona fide use and occupancy of such Sponsor Related Party or the Sponsor Related Party's family) or any of the following (each, a "**Sold Residential Unit Owner Affiliate**"): (a) a Sold Residential Unit mortgage lender; (b) an officer, director, shareholder, partner, member, principal, employee, trustee, executor, administrator or beneficiary of a corporation, partnership, company, trust, estate or other Entity that owns a Sold Residential Unit or is a Sold Residential Unit mortgage lender; (c) an individual designated by a sovereign government, consulate or other governmental instrumentality that owns a Sold Residential Unit; (d) a permitted non-paying occupant of a Sold Residential Unit; or (e) an adult member of the immediate family of a Sold Residential Unit Owner or any of the foregoing. In addition, at all elections held after the end of the Sponsor Board Control Period, in order to assure the creation of a fully viable Condominium, the By-Laws contain a residency requirement pursuant to which a majority of the Condominium Board must be Owner-occupants or Owner-related occupants who are not related to Sponsor or its principals (see Article 2. Section 2.6.6 of the By-Laws and Section A, subsection A-11 above). There is no eligibility requirement for a Sponsor Board Member or a Commercial Board Member, each of whom may be anyone at least 18 years old, regardless of relationship or lack of relationship to Sponsor or a Commercial Unit Owner, respectively. Sponsor, as Owner of Unsold Residential Units and Commercial Unit 1 or 2, may appoint and designate the same individual to serve as both a Sponsor Board Member and a Commercial Board Member.

Q-1.3. Board Elections. During only the Sponsor Board Control Period, the Independent Board Members will be *nominated* and *voted* by all Sold and Unsold Residential and Storage Unit Owners, including Sponsor as Owner of Unsold Residential and Storage Units. At all elections held after the end of the Sponsor Board Control Period, the Independent Board Members will be

nominated by only Sold Residential and Storage Unit Owners, but all Sold and Unsold Residential and Storage Unit Owners shall *vote* (without restriction or limitation) for the Independent Board Members.

Sponsor, as Owner of an Unsold Residential Unit, shall always have the right to *vote* (without restriction or limitation) for the Independent Board Members, but may not *nominate* any candidates to serve as Independent Board Members at all elections held after the end of the Sponsor Board Control Period. Since Sponsor cannot nominate candidates for the election of Independent Board Members at all elections held after the end of the Sponsor Board Control Period, Sponsor will lose voting control of the Residential Board Members and the entire Condominium Board at such time. Sponsor may choose not to nominate or vote for the Independent Board Members at a meeting of Unit Owners to elect new Board Members without waiving or otherwise prejudicing Sponsor's right to nominate or vote for the Independent Board Members at future elections of the Board Members.

The Sponsor Board Member(s) shall be appointed and designated exclusively by Sponsor as Owner of Unsold Residential and Storage Units. The Owners of Commercial Units 1 and 2 (including Sponsor while it owns such Units) shall each exclusively appoint and designate one (1) Commercial Board Member, but shall not participate in the election or removal of the Residential Board Members.

Q-1.4. Term. All Board Members elected at and after the first meeting of Unit Owners will serve for a term of three (3) years, except that the term of the first nine (9) member Board shall initially be staggered so that one (1) Residential Board Member will serve for one (1) year, three (3) other Residential Board Members will serve for two (2) years, and three (3) other Residential Board Members will serve for three (3) years. Thereafter, their successors shall serve for a term of three (3) years. The Residential Board Members receiving the highest number of votes will serve for the longest term, except that the Sponsor Board Members appointed and designated to such first nine (9) member Board shall serve for the shortest term. There is no limit on the number of terms, successive or otherwise, a Board Member may serve.

Q-1.5. First Meeting of Unit Owners. Sponsor will cause the Condominium Board to call the first meeting of Unit Owners to be held within approximately sixty (60) calendar days after the *earlier* to occur of: (a) the first anniversary of the First Closing of a Residential Unit; or (b) the date that the number and Common Interest of the Sold Residential Units constitute more than 50% of the number and Common Interest of all Residential and Storage Units. At such first meeting, the Unit Owners will elect a new nine (9) member Condominium Board.

Q-1.6. Annual Meetings. Each annual meeting of Unit Owners is to be called to be held within approximately thirty (30) calendar days of the anniversary of the previous annual meeting of Unit Owners, unless changed by the Condominium Board to be held within approximately 60 calendar days after the issuance of the Condominium Association's annual financial statements for the previous 12 months of operation for financial reporting purposes.

Q-1.7. Special Meetings. Under the By-Laws (see Section 4.2), the President shall call a special meeting of the Unit Owners or only the Residential and Storage Unit Owners (as applicable) whenever so directed by a duly adopted resolution of the Condominium Board or Residential Board Members, as applicable, or upon receipt by the Secretary of a petition calling for such a meeting signed by any two (2) Board Members or by the Owners of not less than twenty-five (25%) percent

of the Common Interest of all Units or all Residential and Storage Units (as applicable). Within ten (10) business days after receipt of such resolution or petition (as applicable), the President shall call such special meeting to be held within the next twenty (20) business days, unless the purpose of a meeting (whether regular or special) is to consider an amendment to the Declaration or the By-Laws or to remove a Board Member, in which case the following shall apply. Notice of such meeting shall be given to all Unit Owners or all Residential and Storage Unit Owners (as applicable) at least thirty (30) calendar days prior to the date fixed for such meeting, which notice shall be accompanied by a copy of the text of said proposed amendment or the basis of removal of the Board Member (as applicable). The President shall call such meeting to be held not sooner than thirty-one (31) calendar days nor later than sixty (60) calendar days following receipt by the Secretary of a Board resolution or a petition signed by the requisite percentage of Unit Owners or Residential and Storage Unit Owners (as applicable). If the President fails to so timely call such special meeting, then any Board Member who voted for such resolution or any Unit Owner who signed such petition (as applicable) may so call such meeting by a notice of meeting in accordance with the requirements of Section 4.4 of the By-Laws, except that such notice need not be given by the Secretary. No business shall be transacted at such special meeting except business reasonably related to purposes stated in the notice of special meeting or said petition.

Q-2. Initial Board Member and Officers. The initial Board Member and officers of the Condominium, who will be appointed and designated exclusively by Sponsor, will be a principal of Sponsor or will have an employment, business or family relationship to Sponsor or Sponsor's principal and will serve at the will of Sponsor. Sponsor's current intention is to designate the following persons as the initial Board Member and officers of the Condominium:

Henry J. Justin*	-	President/Board Member
Audrey Hallett**	-	Vice President, Secretary and Treasurer

* Principal of Sponsor.
** Employee of company owned by Sponsor's principal.

Sponsor reserves the right to appoint and designate different persons to serve as the initial Board Member and/or officers of the Condominium Board and to remove them and substitute other persons without prior notice or Amendment. Any other person so appointed and designated or substituted by Sponsor will likely have an employment, business or family relationship to Sponsor or the principal of Sponsor.

The initial Condominium Board Member (and any substitute Board Member appointed and designated by Sponsor) will conduct all affairs of the Condominium until the nine (9) member Condominium Board is duly elected and (as to the Sponsor Board Members and Commercial Board Members) appointed and designated, at the first meeting of Unit Owners. Only Unit Owners (that is, Purchasers who Close Title and Sponsor, as Owner of the Unsold Residential and Storage Units and the Commercial Units) shall be entitled to attend and vote at the meeting.

Q-3. Indemnification and Personal Liability. The Unit Owners on whose behalf the Condominium Board Members and officers have acted will jointly indemnify such Board Members and officers from and against all Claims and Liabilities and Expenses arising from their acts or omissions in their capacity as Board Members and officers. However, a Board Member or officer will not be indemnified for Claims or Liabilities and Expenses arising from the bad faith or willful misconduct of such Board Member or officer. The liability of each such Unit Owner under said indemnity is non-recourse and limited to the interest of the Owner in his or her Unit. All amounts

payable under this indemnity (including legal fees and expenses) are to be paid in advance as part of the Common Expenses and directly from the Common Charges paid by the applicable Unit Owners.

A Board Member or officer will not be liable to the Unit Owners for errors of judgment, negligence or otherwise, but will be liable for any bad faith action or inaction or for willful misconduct. A Board Member (including a Sponsor Board Member and a Commercial Board Member) or officer will not be regarded as having acted in bad faith or having committed willful misconduct because of any contract or transaction entered into by the Condominium Board and such Board Member or officer or a person related to, or affiliated with, such Board Member or officer (including Sponsor) if such contract or transaction is: (a) disclosed in this Plan or an Amendment; or (b) approved by a majority of non-interested Board Members and is at competitive or lower rates for goods sold or services rendered in the same county as the Property.

Each contract or other document executed by the Condominium Board will provide (if obtainable and not prohibited by Law) that: (a) only the Unit Owners on whose behalf the Condominium Board is acting will have liability thereunder; (b) the liability of each such Unit Owner will be in the proportion that the Common Interest of the Owner's Unit bears to the total Common Interests of all Units whose Owners are liable; (c) the liability will be limited to the Owner's interest in the Unit and its appurtenant Common Interest; and (d) no Board Member or officer will be liable thereunder except as a Unit Owner in accordance with the foregoing.

No Board Member or officer will be liable for interruption of any Building services or for any injury, loss or damage to person or property occurring in or on the Common Elements, the Association's Properties or a Unit and caused by the elements, a Unit Owner or any other Person, or resulting from water leaks, theft or otherwise.

Q-4. Compensation. No Board Member or officer will be paid any compensation by the Condominium Association for serving as a Board Member or officer, or on any committee of the Condominium Association.

Q-5. Election and Removal of Officers; Removal of Board Members.

Q-5.1. Officers.

Election: The officers of the Condominium Association shall consist of the following: (a) the President, Vice President, Secretary and Treasurer elected by vote of a majority of those Board Members attending a duly constituted Board meeting at which a quorum is present; (b) a co-Vice President and an Assistant Secretary appointed or designated exclusively by the Sponsor Board Member(s); and (c) a co-Vice President and an Assistant Secretary appointed and designated exclusively by the Commercial Board Members. Additional and other officers and assistant officers may also be elected by the Residential Board Members, the Sponsor Board Member(s) and the Commercial Board Members, respectively.

The officers will be elected or (as to the exclusive right of the Sponsor Board Member(s) and Commercial Board Members) appointed and designated annually at the organizational meeting of each new Condominium Board. The President must be a Board Member. There are no qualifications to be met by the other officers who need not be Board Members. No officer is required to be a Unit Owner or have any interest in a Unit.

Generally, each of the officers will have all of the same powers and duties of the equivalent officer of a stock corporation organized under the Business Corporation Law of the State of New York.

However, the officers appointed and designated exclusively by the Sponsor Board Member(s) or the Commercial Board Members may act only in connection with the Operation and affairs of the Unsold Residential and Storage Units or the Commercial Units, respectively.

Removal: An officer may be removed at any time "with" or "without cause" by an affirmative vote of a majority of those Board Members who attend a duly constituted Board meeting at which a quorum is present, except an officer appointed and designated exclusively by the Sponsor Board Member(s) or the Commercial Board Members may be removed for only dishonesty or other "good cause" by said majority vote of Board Members, excluding from the base number of Board Members and from the count for quorum and voting purposes the Sponsor Board Member(s) or the Commercial Board Members (as applicable) who appointed and designated such officer, and may be removed "without" cause by only the Sponsor Board Member(s) or the Commercial Board Members, whoever elected such officer. An officer appointed by the Sponsor Board Member(s) or Commercial Board Members who is to be removed for "good cause" shall be given a written explanation of the basis of removal at least seven (7) business days in advance of the Board meeting and a reasonable opportunity to be heard thereat before the vote is taken.

Resignation: Each officer may resign at any time by giving written notice to the Condominium Board (or to a Sponsor Board Member or a Commercial Board Member (as applicable) in the case of the officers appointed and designated exclusively by such Board Members). The President will be regarded as having resigned whenever such officer ceases to be a Board Member.

Vacancy: Any vacancy in an office will be filled by vote of a majority of the Board Members in attendance at a regular or special meeting of the Board called for such purpose (in the case only of an officer elected by the Residential Board Members) or filled exclusively by the Sponsor Board Member(s) or the Commercial Board Members (as applicable) with respect to a vacancy of an officer appointed and designated exclusively by such Board Member(s).

Q-5.2. Board Members. All references to Unit Owners or Residential and Storage Unit Owners in this subsection shall exclude from the count of the base number of Unit Owners and Common Interests for quorum and voting purposes: (a) those Units (if any) owned by the Condominium Board or its nominee or designee, who shall have no voting rights with respect to any Unit each of them may own; and (b) those Unit(s) and Common Interest(s) owned by the Independent Board Member, Sponsor Board Member or Commercial Board Member (as applicable), or a Related Party to such Board Member, to be removed, who shall not have the right to vote on the issue of such Board Member's removal.

Removal: An Independent Board Member may be removed "with" or "without cause" only by a vote of a majority in number and Common Interest of Sold and Unsold Residential and Storage Unit Owners cast at a duly constituted meeting of Unit Owners at which a quorum is present. A Sponsor Board Member or Commercial Board Member may be removed for only dishonesty or other "good cause" by vote of a majority in number and Common Interest of all Unit Owners cast at a duly constituted meeting of Unit Owners at which a quorum is present, or "without cause" by only Sponsor or the Owner of the Unsold Residential Unit(s) or Commercial Unit who exclusively appointed and designated such Board Member to be removed.

Resignation: A Board Member may resign at any time by giving written notice to: (a) the Residential Board Members (in the case of a resignation by an Independent Board Member); or (b) the Sponsor or appropriate Unsold Residential Unit Owner (in the case of a resignation by a Sponsor Board Member); or (c) the applicable Commercial Unit Owner (in the case of a resignation by a Commercial Board Member).

Vacancy: A vacancy on the Condominium Board, whether resulting from removal, resignation, death, incompetency, incapacity or otherwise, will be filled as follows: (a) (in the case of a vacancy of an Independent Board Member) a majority of the remaining Residential Board Members will elect a new Independent Board Member at a special Board meeting to fill such vacancy; (b) (in the case of a vacancy of a Sponsor Board Member) Sponsor or other appropriate Unsold Residential Unit Owner who originally appointed and designated the vacating Sponsor Board Member will have the exclusive right to appoint and designate a new Sponsor Board Member to fill such vacancy; or (c) (in the case of a vacancy of a Commercial Board Member) the applicable Commercial Unit Owner (i.e., Sponsor so long as it owns the applicable Commercial Unit) will have the exclusive right to appoint and designate a new Commercial Board Member to fill such vacancy. However, in the case of a removal of an Independent Board Member by the Owners of the Sold and Unsold Residential and Storage Units, such Owners will have the right to pre-empt the Residential Board Members and elect the replacement at the same meeting the removal is voted upon or at a subsequent special or annual meeting of these Unit Owners called for such purpose.

The person elected (in the case of an Independent Board Member) or appointed and designated (in the case of a Sponsor Board Member or Commercial Board Member) to fill the vacancy will serve as a member of the Condominium Board for the remainder of the term of the Board Member being replaced.

Q-6. Computation of Votes. Each Unit Owner will have one (1) vote for each 0.001% of Common Interest. For example, if the Unit Owner's Common Interest is 2.131%, he or she will have a total of 2,131 votes. When voting for the election of Board Members, each candidate for whom a Unit Owner votes will receive the total number of votes that such Unit Owner is entitled to cast, or 2,131 votes per candidate in the preceding example. Unit Owners may not cumulate, split or otherwise transfer votes from one candidate to another.

The election of the Independent Board Members will be determined by "plurality" of the votes cast by the Owners of the Sold and Unsold Residential and Storage Units (including Sponsor as Owner of Unsold Residential and Storage Units) at a duly constituted meeting of Unit Owners at which a quorum is present. Thus, the candidates receiving the highest number of votes at the meeting will be elected to serve as the Independent Board Members even though one (1) or more of them may receive less than a majority of the votes cast. The Sponsor Board Member(s) and the Commercial Board Members shall be appointed and designated in a writing delivered either at the meeting of Unit Owners or in advance of the meeting to the Managing Agent or any officer of the Condominium Board.

SPECIAL RISK: No Unit Owner may nominate or vote for the election of Board Members during the period the Condominium Board has perfected a lien against such Owner's Unit for unpaid Common Charges or Special Assessments. However, such Owner will resume these rights upon satisfying such indebtedness or discharging the lien by bond or otherwise. In addition, if such Unit Owner is a Board Member, his or her Board membership will automatically be suspended upon perfection of the lien and unless the lien is satisfied or discharged, will automatically cease 30 calendar days thereafter.

Q-7. Amendments to Declaration or By-Laws

Q-7.1. Requirements. Subject to the following clauses (d) through (g) and the restrictions in subsection Q-7.2 below, the requirements to amend the Declaration or By-Laws are as follows (all references to Unit Owners in this subsection shall exclude from the count of the base number of Unit Owners and Common Interests for quorum and voting purposes those Units (if any) owned

by the Condominium Board or its nominee or designee, who shall have no voting rights with respect to any Unit each of them may own):

(a) in the case of an Amendment affecting only the General Common Elements, the Association's General Properties, the General Common Expenses, the General Common Charges, or all or a portion of both the Residential Space and the Commercial Units: the Amendment may be made by the Condominium Board: (a-1.1) if approved and adopted by a majority of those Board Members attending a duly constituted Board meeting at which a quorum is present; and (a-1.2) if approved or consented to by vote or in writing by at least two-thirds (2/3rds) or (in specified cases) 95% in number and Common Interest of all Unit Owners;

(b) in the case of an Amendment affecting only all or a portion of the Residential Space or the Association's Residential Properties: the Amendment may be made by the Residential Board Members on behalf of the Condominium Board: (b-1) if approved and adopted by a majority of those Residential Board Members attending a duly constituted meeting of the Residential Board Members at which a quorum is present (and without the approval or consent of the Commercial Board Members); and (b-2) if approved or consented to by vote or in writing by at least two-thirds (2/3rds) in number and Common Interest of the Owners of all Sold and Unsold Residential and Storage Units (and without the approval or consent of the Commercial Unit Owners);

(c) in the case of an Amendment affecting only all or a portion of the Commercial Units: the Amendment may be made by the Commercial Unit Owners or (at the option of such Unit Owners) the Commercial Board Members (and without the approval or consent of the Residential Board Members or other Unit Owners);

(d) in the case of an Amendment affecting only one (1) or more Unsold Units (including any Residential or Storage Unit owned by Sponsor at the time in question) or a Unit Change to an Unsold Unit: the Amendment may be made solely by Sponsor or the Owner or Owners of such Unsold Units, as applicable (and without the approval or consent of the Condominium Board or other Unit Owners);

(e) in the case of an Amendment to reflect changes required by either an Institutional Lender holding, or having issued a written commitment for, a Unit mortgage, a Governmental Authority having jurisdiction over the Property or the Condominium Association, or a title insurer of a Unit: the Amendment may be made by Sponsor so long as Sponsor owns a Unit (and without the approval or consent of the Condominium Board or other Unit Owners) or by the Condominium Board (subject to obtaining the prior written Discretionary Approval or Consent of Sponsor during only the Sponsor Veto Control Period, but without obtaining the approval or consent of Sold Unit Owners or the Commercial Unit Owners, other than Sponsor if it owns a Commercial Unit);

(f) in the case of an Amendment to reflect only the permitted subdivision of a Sold Residential Unit and the proper apportionment of the Common Interest of the Sold Residential Unit being subdivided, or the permitted combination of a Sold Unit with all or part of one or more other Sold Units and the proper apportionment of the Common Interests of the Sold Units involved in such combination: the Amendment may be made by the Owner of the Sold Unit being subdivided or by the Owner or Owners of the Sold Units involved in the combination, as applicable, subject to obtaining the prior written Reasonable Approval or Consent of the Residential Board Members (except no Board approval or consent shall be required in the case of an Authorized First Sold Residential Unit Owner who is authorized in writing by Sponsor or

an Unsold Residential Unit Owner (as applicable) to make such Unit Change), but without obtaining the approval or consent of other Unit Owners; and

(g) in the case of an Amendment affecting a Unit's Common Interest, size or configuration: the prior written Discretionary Approval or Consent of the Owner of the affected Unit must be obtained for such Amendment.

Q-7.2. Restrictions. No Amendment to the Condominium Documents may be made that would with reasonable likelihood affect the priority or validity of the lien of a purchase money mortgage or a mortgage held by an Institutional Lender on a Unit without obtaining the prior written Discretionary Approval or Consent of the Owner of such Unit and such Owner's mortgage lender.

No Amendment to the Condominium Documents may be made that would with reasonable likelihood: (a) unreasonably interfere with a potential, proposed or pending sale, lease, mortgage or other Disposition of a Sponsor Unit, an Unsold Unit or a Commercial Unit without obtaining the prior written Discretionary Approval or Consent of the Owner of the affected Unit; (b) abridge, modify, suspend, eliminate or otherwise affect any of Sponsor's/Commercial Owner's Rights (i.e., any right, power, easement, license, privilege, indemnity, exemption, remedy or other benefit of Sponsor, an Unsold Unit Owner or a Commercial Unit Owner under this Plan, a Plan Amendment or the Condominium Documents) without obtaining the prior written Discretionary Approval or Consent of such affected Owner; (c) impose any discriminatory charge, fee or other imposition against or on Sponsor, an Unsold Unit Owner, a Commercial Unit Owner, or a tenant or occupant of an Unsold Unit or the Commercial Unit, without obtaining the prior written Discretionary Approval or Consent of the Owner of the affected Unit; (d) change or restrict the permitted use or occupancy of a Sponsor Unit, an Unsold Unit or a Commercial Unit; or (e) adversely affect the value, marketing, Promotion or other Disposition of a Sponsor Unit, an Unsold Unit or a Commercial Unit.

Q-7.3. Filing with Condominium Association. A conformed copy of an Amendment to the Condominium Documents shall be filed promptly with the Secretary or an Assistant Secretary of the Condominium Association or the Condominium Association's Managing Agent by the applicable Party recording the Amendment and shall be made available by the Condominium Board at the Property or the office of the Managing Agent for inspection (without charge) and copying (at a reasonable charge) by all: Unit Owners; Unit mortgage lenders; authorized tenants of Units; authorized prospective Unit purchasers, mortgage lenders and tenants; and authorized representatives of each of the foregoing.

Q-8. Board Meetings.

Q-8.1. Regular Meetings. The Condominium Board is to hold at least four (4) regular meetings each Budget Year, but a majority of the Board Members may determine to meet more often. The date, time and place of each regular meeting will be fixed by a majority of the Board Members.

Q-8.2. Special Meetings. The President of the Condominium Association may call a special meeting of the Condominium Board, but must call a special meeting on the written request of two (2) or more Board Members. Written notice of a special meeting is to be given to each Board Member at least two (2) business days (in the case of notice sent by hand, telecopier or telegram) or five (5) business days (in the case of a notice sent by mail) prior to the meeting. A Board Member may waive this notice requirement and will be considered to have waived the notice by attending the meeting.

Q-8.3. Separate Meetings. The Residential Board Members and the Commercial Board Members may hold separate meetings, without notice to the other, for the discussion and transaction only of such business that is to be decided solely by such Residential Board Members or Commercial Board Members, respectively, and does not involve the General Common Elements, the Association's General Properties, the General Common Expenses or the General Common Charges, or all or a portion of both the Residential Space and the Commercial Units.

Q-9. Quorum. The quorum requirements to transact business are as follows:

(a) attendance (in person or by telephone) of a majority of all Board Members will be required for any business relating solely to one or more of the following: (a-1) the General Common Elements; (a-2) the Association's General Properties; (a-3) the General Common Expenses; (a-4) the General Common Charges; or (a-5) all or a portion of both the Residential Space and the Commercial Units;

(b) attendance (in person or by telephone) of a majority of only the Residential Board Members will be required for any business relating solely to one (1) or more of the following: (b-1) the Residential Common Expenses; (b-2) the Residential Common Charges; (b-3) all or a portion of the Residential Space; or (b-4) the Association's Residential Properties; or

(c) attendance of only the Commercial Board Members will be required for any business relating solely to all or a portion of the Commercial Units.

In the case of attendance by telephone, all Board Members attending the meeting (whether in person or by telephone) shall be in voice communication of each other.

Q-10. Requirements for Board Decisions. A majority of those Residential and Commercial Board Members attending a duly constituted Board meeting at which a quorum is present will decide all matters relating solely to one (1) or more of the following: (a) the General Common Elements; (b) the Association's General Properties; (c) the General Common Expenses; (d) the General Common Charges; or (e) all or a portion of both the Residential Space and the Commercial Units.

A majority of those Residential Board Members attending a duly constituted meeting of the Residential Board Members at which a quorum is present will decide all matters relating solely to one (1) or more of the following: (a) the Residential Common Expenses; (b) the Residential Common Charges; (c) all or a portion of the Residential Space; or (d) the Association's Residential Properties.

The Commercial Board Members will decide any business relating solely to all or a portion of the Commercial Units.

Each Board Member shall have only one (1) vote on any matter to be voted by such Board Member.

Q-11. Requirements for Unit Owners' Decisions. At any meeting of Unit Owners or only Residential and Storage Unit Owners (as applicable) at which a quorum is present, the vote of a majority in number and Common Interest of those Unit Owners or those Residential and Storage Unit Owners, respectively, attending the meeting (in person or by proxy) will constitute the decision of the Unit Owners or the Residential and Storage Unit Owners, respectively, unless a different number and/or percentage is required by the Declaration or By-Laws or the Condominium Act. The Condominium Board and its nominee or designee shall have no voting rights with respect to any Units owned by each of them and such Parties and Units shall be excluded from the base number of Owners, Units and Common Interests for quorum and voting purposes in determining any matter to be voted upon by Unit Owners.

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SECTION R. RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE BOARD OF MANAGERS

R-1. Sale or Lease of Units by Unit Owners. This subsection summarizes the material rights and obligations of Unit Owners and the Condominium Board with respect to the sale or lease of Units by Unit Owners under the By-Laws (see Article 16, Sections 16.1 to 16.12 for all applicable rights and obligations).

R-1.1. Rights and Restrictions on Sale or Lease. Each Unit Owner has the right to sell his or her Unit at any price or to lease the Unit at any rent, but must comply with certain restrictions under the By-Laws, including the following:

(a) a Sold Unit Owner must give the Condominium Board written notice (by certified or registered mail, return receipt requested) of the proposed sale or lease accompanied by a fully executed original of the sale or lease agreement (see subsection R-1.2 below for Board's Right of First Refusal);

(b) a Unit Owner may not consummate the transaction unless he or she is current in the payment of Common Charges and Special Assessments (if any), and all unpaid liens on the Unit (other than a Permitted Mortgage) are satisfied or bonded;

(c) the sale or conveyance of a Storage Unit may be made to only another Residential Unit Owner or to the purchaser of the seller's Residential Unit and, conversely, the sale of seller's Residential Unit must include the Storage Unit, unless the Storage Unit is sold and conveyed to another Residential Unit Owner at or prior to consummating the sale of the Residential Unit;

(d) a Sold Unit Owner must pay the Condominium Board for the reasonable fees and expenses incurred on the transaction, including those of the Board's Managing Agent and/or attorney, unless the transaction is exempt from the Board's Right of First Refusal (see Section W, subsection W-1.3 below for the fees payable by a Sold Unit Owner to the Managing Agent, which are conclusively deemed to be reasonable);

(e) at the Closing of Title on a resale, the purchaser (at his or her expense) must duly sign and record a Unit Owner's Power of Attorney in favor of the Condominium Board, Sponsor, the Commercial Unit Owners and other persons on the form contained in Part II of this Plan as DOCUMENT 2 (or, if there are no longer any Unsold Residential Units, on the form then approved for use by the Condominium Board and the Commercial Unit Owners);

(f) the sale or lease agreement must contain a certain provision subjecting the agreement to the Board's Right of First Refusal;

(g) each lease entered into after the establishment of the Condominium must contain certain provisions subordinating the lease to the Condominium Documents and to the powers of the Board to terminate the lease and evict the tenant for violating the Condominium Documents or following a foreclosure of the Condominium Board's lien on the Unit for unpaid Common Charges; and

(h) the lease of a Sold Residential Unit cannot be for a term of less than one (1) year, cannot be extended or amended and cannot be assigned or sublet by the tenant, without obtaining the prior written Discretionary Approval or Consent of the Board in each instance.

Unsold Units and Commercial Units. The restrictions in the preceding clauses (a), (d), (f) and (h) do not apply to the Sponsor, the Unsold Unit Owners or the Commercial Unit Owners, who may

sell and lease their respective Units Freely and Without Consent, Payment or Restriction, other than the restrictions in the preceding clauses (b) *[Common Charges and Special Assessments must be current and unpaid liens, other than Permitted Mortgages, must be satisfied or bonded]*, (e) *[recording of the Unit Owner's Power of Attorney by purchaser]* and (g) *[subordinating the lease to Condominium Documents and to said specified Board powers]*.

To assure the creation of a fully viable Condominium, Sponsor will have right (at its option) to rent vacant Unsold Residential Units to only a Purchaser under an Interim Lease and will sell vacant Unsold Residential Units to only Purchasers for personal occupancy by the Purchaser or Purchaser's family until at least 50% of the Residential Units in number are sold and conveyed to such Purchasers for personal occupancy. After such 50% threshold is achieved, Sponsor will continue to endeavor in good faith to so sell Residential Units to said Purchasers for personal occupancy, but reserves the right, if market conditions at the time a Unit is completed become less favorable than those existing at the time of Filing of this Plan, to rent Unsold Residential Units after they are completed or to sell Unsold Residential Units to Purchasers for rental operation until they may be sold at prices determined in good faith to be satisfactory to Sponsor (see Section A, subsection A-11 for further discussion).

Rent Laws Inapplicable. The terms of the lease of a Sold Unit, including the rent, will not be subject to any existing state or local law regulating rent or rights of tenants for continued occupancy.

R-1.2. Right of First Refusal. The Condominium Board has a Right of First Refusal (or Match Offer Right) to purchase or lease a Sold Residential or Storage Unit on the same terms set forth in fully executed agreement to purchase or lease such Unit, unless the proposed sale or lease is exempt from the Right of First Refusal (see paragraph (i) below). The material terms of the Board's Right of First Refusal are as follows:

(a) Notice Period. Within 20 business days after the Condominium Board receives the fully executed purchase or lease agreement together with such documents required by the Board relating to the housing, credit, net worth, income taxes and employment history of the purchaser or tenant, the Condominium Board is to notify the Unit Owner in writing whether or not it intends to exercise the Right of First Refusal. The Board may not elect to purchase or lease a Unit without obtaining the prior approval of a majority in Common Interest of those Residential and Storage Unit Owners attending a duly constituted meeting called for such purpose at which quorum is present. If the Board declines to exercise its Right of First Refusal or fails to send notice of its election to purchase or lease within said 20 business day period, the Sold Unit Owner shall have 90 calendar days thereafter to consummate the transaction, failing which the Condominium Board will again have the Right of First Refusal to purchase or lease the Unit.

(b) Closing Period. If the Condominium Board elects to purchase or lease a Sold Unit pursuant to its Right of First Refusal, the Board will have 60 business days after giving notice of its election within which to consummate the transaction. The Condominium Board may (at its option) purchase or lease in its own name or in the name of its nominee or designee, corporate or otherwise.

(c) Funds to Acquire. The Board may obtain funds to purchase a Unit (including the expenses of Closing Title) from the following sources, or any combination of them: (c-1) a loan secured by a mortgage on only the Unit, provided the prior written Discretionary Approval or Consent is obtained from Sponsor (during only the Sponsor Veto Control Period); and/or (c-2) a Special Assessment imposed on only the Residential and Storage Unit Owners. The Commercial Unit

Owners shall not be allocated or assessed any portion of the amounts required to purchase or Close Title to such Unit.

(d) Funds to Maintain and Operate. The funds to Maintain, Repair, Alter, and otherwise Operate and make any Disposition of a Unit purchased or leased by the Condominium Board (or its nominee or designee) shall be derived from rents realized from any tenant to whom such Unit is leased or subleased, if any. If no such rents are realized or are insufficient, such funds or any deficit shall be derived and paid from the Residential Common Charges assessed to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests. The Commercial Unit Owners shall not be allocated or assessed any amounts to Maintain, Repair, Alter or otherwise Operate or make any Disposition of such Unit.

(e) Permissible Uses. A Residential Unit purchased or leased by the Condominium Board, or its nominee or designee, may be used only as a one family dwelling and any residential home occupation allowed by Law, which is the same use applicable to Sold Residential Units. A Storage Unit purchased or leased by the Condominium Board may be used only for storage of non-flammable personal belongings and effects of the tenant or occupant of a Residential Unit owned or leased by the Board or its nominee or designee.

(f) Resale or Leasing of Unit Held by Board. The Residential Board Members shall make all decisions on behalf of the Condominium Board as to the resale or leasing of a Unit purchased by the Board (or its nominee or designee) or the subleasing of a Unit leased by the Board (or its nominee or designee), as well as all decisions concerning the use, occupancy, Operation and mortgaging of such Unit while owned or leased by the Board (or its nominee or designee); subject, however, to compliance with the same restrictions on use and occupancy applicable to Sold Residential and Storage Units (see subsection R-7 below) and the requirement to obtain the Discretionary Approval or Consent of Sponsor as to borrowing set forth in subsection R-1.2(c) above. The Condominium Board and its nominee or designee shall have no voting rights with respect to any Units owned by each of them and such Parties and Units shall be excluded in the base number of Owners, Units, and Common Interests for quorum and voting purposes.

(g) Proceeds on Disposition. All rents and any other revenues derived from a Unit while owned or leased by the Condominium Board (or its nominee or designee), after paying the Costs and Expenses to own or lease and Operate such Unit, and all proceeds realized on the resale of a Unit owned by the Board (or its nominee or designee) shall be applied to defray the Residential Common Expenses and the portion of the General Common Expenses payable by Residential and Storage Unit Owners.

(h) No Discrimination. The Condominium Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other ground prohibited by Law, whether in connection with the exercise of the Board's Right of Refusal, the leasing or subleasing of any Unit purchased or leased, the resale of any Unit purchased, or otherwise.

(i) Exempt Transactions. The following sales, transfers, conveyances and leases are exempt from the Condominium Board's Right of First Refusal:

(i-1) a sale, transfer, conveyance or lease of a Sold Residential Unit from its Owner to a member of such Owner's immediate family or to a trust for the benefit of such Owner or a member of such Owner's immediate family;

(i-2) a sale, transfer, conveyance or lease of a Sold Residential Unit from its Owner to any Entity in which such Owner owns more than 50% of the legal and beneficial interests or (if the Owner is a corporation, partnership, limited liability company or other Entity) a sale, transfer, conveyance or lease from such Owner to any individual who owns more than 50% of all legal and beneficial interests in said Entity;

(i-3) a transfer, conveyance or lease of a Sold Residential Unit from its Owner to any Person who acquires title or leases the Unit as a gift or as an heir or distributee under the Owner's will or by intestacy;

(i-4) (if an Owner is declared judicially incompetent) a transfer or lease from such Owner to the Owner's legal guardian or representative;

(i-5) a sale, transfer or conveyance of any Unit, or a lease (including any sublease) of all or part of any Unit, to Sponsor or an Unsold Unit Owner or any such transaction from Sponsor or an Unsold Unit Owner to any Person;

(i-6) a sale, transfer or conveyance of any Unsold Unit or a Commercial Unit, or a lease (including any sublease) of all or part of any Unsold Unit or a Commercial Unit, to any Person;

(i-7) a sale, transfer, conveyance of any Unit or a lease (including any sublease) of any Unit to the Condominium Board (or its nominee or designee) or from the Condominium Board (or its nominee or designee) to any Person;

(i-8) a sale, transfer or conveyance of any Unit from an officer or other Person conducting a mortgage or other lien foreclosure sale to any Person; and

(i-9) a transfer or conveyance of any Unit by deed in lieu of foreclosure to a Permitted Mortgagee or a designee of a Permitted Mortgagee or from such Permitted Mortgagee or designee to any Person.

R-2. Mortgaging of Units by Unit Owners. Each Unit Owner shall have the right to mortgage his or her Unit with one or more mortgages held by any lender or lenders, subject to compliance with the following restrictions and requirements:

(a) an Owner of both a Residential Unit and Storage Unit must subject both Units to the mortgage in order to prevent any severance of such combined ownership;

(b) the mortgage must cover both the Unit and its appurtenant Common Interest;

(c) the Unit Owner shall give the Condominium Board written notice of the name and address of the mortgage lender and (if requested by the Board) a conformed copy of the executed note and mortgage (failure to do so shall not affect the validity or enforceability of the mortgage, but the mortgage lender shall not have certain protections and benefits with respect to (for example) the right to receive a copy of a default notice for non-payment of Common Charges or the right to cure such default);

(d) the Unit Owner shall give the Condominium Board written notice when a mortgage is satisfied and (if requested by the Board) a conformed copy of the executed satisfaction of mortgage instrument; and

(e) no Unit Owner shall give a mortgage on his or her Unit unless and until all unpaid Common Charges and Special Assessments (if any) are paid and all unpaid liens on the Unit are satisfied or bonded, other than the mortgage liens made in compliance with the By-Laws.

This last restriction in clause (e) shall not affect the validity or enforceability of a mortgage, but to the extent not prohibited by the Condominium Act or other applicable Law shall affect the priority of its lien, which shall be subject and subordinate to all then existing unpaid Common Charges and Special Assessments previously assessed against the Unit.

R-3. Common Charges and Special Assessments. The Common Charges and Special Assessments shall be determined by the Condominium Board, and allocated, apportioned and assessed to the Unit Owners or to only the Residential and Storage Unit Owners or the Commercial Unit Owners in accordance with the following provisions (see Article 9 of the Declaration and Article 8 of the By-Laws for full discussion of these provisions).

R-3.1. Procedure and Allocation. U-3.1.1 Procedure. At least ten (10) calendar days before the start of each Budget Year of the Condominium Association, the Condominium Board is to prepare, adopt and distribute to all Unit Owners a Budget of Condominium Operation for the ensuing Budget Year. The Budget must comply with the Special Allocation and Apportionment Rule and Section 339-m of the Condominium Act, and the procedures, guidelines and requirements set forth in this Plan (see Section B, subsection B-5.3, Section F, subsections F-3 and F-4, and Section H, subsections H-7.1, H-7.2 and H-7.3) and the Condominium Documents (see Article 9 and EXHIBIT F of the Declaration and Article 8 of the By-Laws). The Budget comprising the Residential Common Expenses shall be determined on behalf of the Condominium Board solely by a majority of those Residential Board Members attending a duly constituted meeting of Residential Board Members at which a quorum is present.

R-3.1.1. Allocation. In accordance with the Special Allocation and Apportionment Rule and said Section 339-m:

(a) the projected Residential Common Expenses shall be allocated by the Condominium Board to only the Residential and Storage Unit Owners, and apportioned and assessed among them Pro Rata to their respective Common Interests, based on: (a-1) their special or exclusive use or availability or exclusive control of the Residential Common Elements and the Association's Residential Properties; (a-2) providing services specially or exclusively to them; and (a-3) generally conducting affairs affecting or benefiting only or primarily the Residential Space and the Association's Residential Properties; and

(b) the projected General Common Expenses shall be allocated by the Condominium Board to all Unit Owners and generally apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount of a projected General Common Expense item fairly and properly attributable to a Commercial Unit or the Residential and Storage Units would otherwise, in which case such fair and proper apportionment shall be used (see Section F, subsection F-3 for Specially Apportioned General Common Expenses).

R-3.1.2. Payment of Common Expenses. The amount allocated, apportioned and assessed to the applicable Units constitute their Common Charges, which will be payable monthly in advance on the first day of each month, unless otherwise determined by the Board. The Condominium Board has the right to levy Special Assessments to pay Common Expenses, which will be payable in a lump sum or in such periodic installments, with or without interest, as shall be determined in the sole discretion of the Condominium Board.

R-3.1.3. Failure to Adopt Budget. The failure of the Condominium Board to adopt a Budget for a new Budget Year will not be regarded as a waiver of Common Charges nor excuse Unit Owners from their obligation to continue to pay Common Charges and Special Assessments (if any) based on the last adopted Budget pending the adoption of the new Budget.

R-3.1.4. Revised Budget. The Condominium Board may revise a Budget one or more times during any Budget Year, but may not retroactively increase the amount of Common Charges previously billed. The Board, however, may include a deficiency for a prior period (whether in the same Budget Year or a previous Budget Year) in the Common Expenses for the then current Budget Year.

R-3.1.5. Budget Surplus. If the budgeted General Common Charges exceed the actual General Common Expenses or the budgeted Residential Common Charges exceed the actual Residential Common Expenses in any completed Budget Year, the Condominium Board will determine whether to apply the surplus to defray the projected General Common Expenses or projected Residential Common Expenses (whichever the surplus relates to) of the next succeeding Budget Year or to distribute all or a portion of the surplus to those Unit Owners who paid the surplus and are still Unit Owners, and apportioning such distribution among them Pro Rata to the General Common Charges or Residential Common Charges (as applicable) assessed to such Unit Owners for such completed Budget Year. Such determination shall be made by: (a) (in the case of surplus of General Common Charges over General Common Expenses) the Condominium Board; or (b) (in the case of a surplus of Residential Common Charges over Residential Common Expenses) the Residential Board Members. If the Condominium Board or Residential Board Members (as applicable) fail to make such determination within four (4) months after the end of such completed Budget Year in which the surplus was generated, the entire surplus shall be distributed to the then existing Unit Owners who paid the surplus and were Unit Owners of record during said completed Budget Year, and apportioned among them Pro Rata to the General Common Charges or Residential Common Charges (as applicable) assessed to such Unit Owners for said completed Budget Year.

R-3.2. Reserves for Capital Expenditures and Contingencies. The Condominium Board may include in a Budget a reserve for capital expenditures to make Repairs, Alterations, improvements and other contingencies. During only the Sponsor Veto Control Period, the Board must obtain the consent of Sponsor to any reserves in excess of five percent (5%) of the projected annual General Common Expenses, or five percent (5%) of the projected annual Residential Common Expenses, under the terms and conditions explained in Section P, subsection "P-2. Sponsor Veto Control". In addition, any budgeted reserves must be appropriately categorized as Residential Common Expenses or General Common Expenses and appropriately identified for application to the Residential Limited Common Elements (or the Association's Residential Properties, if any) or General Common Elements (or the Association's General Properties, if any). The Commercial Unit Owners will pay their fair and proper share of reserves that relates solely to the General Common Elements (or the Association's General Properties, if any) or the General Common Expenses, but will not pay for any reserves that pertain to the Residential Common Expenses (or the Association's Residential Properties, if any) or the Residential Limited Common Elements.

R-3.3. Liability for Common Charges and Special Assessments. Each Unit Owner shall be personally liable for payment of Common Charges and Special Assessments levied against his or her Unit. Such personal liability shall terminate with respect to only future Common Charges and Special Assessments upon: (a) the consummation of a sale or transfer of the Unit in accordance with the provisions of the By-Laws; (b) the acquisition of the Unit by a purchaser at a mortgage or lien foreclosure sale, or by deed given in lieu thereof; or (c) the conveyance of the Unit to the Condominium Board (or its nominee or designee), without consideration, and free and clear of all

mortgages, liens, encumbrances, leases and occupancies. None of the foregoing transactions shall terminate an Owner's personal liability for unpaid Common Charges or unpaid Special Assessments. No Unit Owner will be exempt from such personal liability by waiving the Use and Enjoyment of the Common Elements or by not using or abandoning his or her Unit.

R-3.4. Board's Lien and Remedies Under RPL §§339-z and 339-aa. U-3.4.1 RPL §339-z. Pursuant to RPL §339-z:

(a) the Condominium Board, on behalf of Unit Owners, shall have a lien on each Unit for unpaid Common Charges and unpaid Special Assessments, together with interest thereon (see subsection U-3.4.5 below); and

(b) the Board's lien shall be prior to all other liens, except only: (b-1) liens for real estate taxes; and (b-2) a lien for a prior recorded first mortgage.

R-3.4.2. RPL §339-aa. Pursuant to RPL §339-aa:

(a) the lien under RPL §339-z shall be effective from and after the filing of a verified notice of lien in the Register's Office of the County, City and State of New York, and will remain effective for six (6) years or until all unpaid sums with interest thereon have been paid in full, whichever occurs first;

(b) the Condominium Board shall have the right to foreclosure the lien by suit brought in the name of the Board (or its nominee or designee), acting on behalf of the applicable Unit Owners, in like manner as a mortgage of real property;

(c) in such foreclosure suit, the delinquent Unit Owner shall be required to pay a reasonable rental for the Unit for any period prior to the sale pursuant to judgment of foreclosure and sale;

(d) the Condominium Board, acting on behalf of the applicable Unit Owners, shall have the power in its name, or in the name of its nominee or designee, to bid on the Unit at foreclosure sale, and to acquire and hold, lease, mortgage (subject to obtaining the requisite Discretionary Approval or Consent of Sponsor as provided in such section R-1.2(c) above) the Unit, but not to cast the votes appertaining to the Unit; and

(e) the Condominium Board may also bring suit to recover a monetary judgment for unpaid Common Charges and unpaid Special Assessments without foreclosing or waiving the lien, and may pursue both the lien foreclosure and monetary judgment suits at the same time.

R-3.4.3. Residential Common Expenses. If the Owner of a Residential Unit or Storage Unit is delinquent in payment of Common Charges or Special Assessments, all of the foregoing actions by the Condominium Board shall be on behalf and for the account of only all Residential and Storage Unit Owners. Accordingly, all amounts, Costs and Expenses incurred by the Board in any such suit to foreclose the lien and/or recover a money judgment, and (if acquired) incurred by the Board or its nominee or designee in connection with the ownership, Operation and Disposition of the Unit, shall be included in the Residential Common Expenses, which shall be charged to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests. The Commercial Unit Owners shall not be allocated or assessed any portion of said amounts, or said Costs or Expenses. Similarly, all revenue derived from the ownership, Operation and Disposition of such Unit shall be applied to defray the Residential Common Expenses or as otherwise determined by the Condominium Board for the benefit of only the Residential and Storage Unit Owners.

R-3.4.4. Actions after 30 Days. Pursuant to the By-Laws, the Condominium Board is required to take prompt action to collect any Common Charges or Special Assessments that remain unpaid for more than 30 calendar days. During the Sponsor Board Control Period, Sponsor will cause the Condominium Board to file the lien under RPL §339-aa on any Unsold Unit for which Sponsor is more than thirty (30) days in arrears of Common Charges or Special Assessments.

R-3.4.5. 10 Day Grace Period; Delinquency Payments. Common Charges shall be due and payable on the first day of each month, unless otherwise specified by the Condominium Board. If Common Charges are not paid within the first 10 calendar days of a month, then the delinquent Unit Owner shall pay on demand the following:

(a) per diem interest on the unpaid amount at the rate of 16% per annum, but not to exceed the highest legal rate, computed from the due date until full payment is received;

(b) a late charge in an amount set by the Condominium Board, but not to exceed $0.05 on each overdue dollar; and

(c) all Costs and Expenses incurred by the Board to collect all amounts owed and to enforce and foreclose its lien and/or recover a money judgment.

R-4. Repairs. The obligation to Repair and Maintain the Units, the Residential Limited Common Elements (and the Association's Residential Properties, if any) and the General Common Elements (and the Association's General Properties, if any), the allocation of responsibility among the Unit Owners and the Condominium Board, the requirements and restrictions as to furnishings and painting of Units and to grant access to Units are summarized below and set forth in detail in Articles 10, 12 and 14 of the Declaration and Articles 5, 12 and 13 of the By-Laws.

R-4.1.1. Repairs to Units. Each Unit Owner shall be obligated, at his or her expense, to Repair (excluding structural or extraordinary Repairs expressly stated to be performed by the Condominium Board under the Condominium Documents) and Maintain his or her Unit (including it Equipment and Installations (see Section B, subsection B-5.1 for summary of included items), in accordance and compliance with the Building's Maintenance Standard, which requires the Owner: (a) to keep the Unit and its appurtenant Terrace or Planting Terrace or rear yard (if and as applicable) in good and proper working order, free of water leaks and undue air penetration, and otherwise in clean and sanitary condition; (b) to keep the Unit's windows, entrances, appurtenant Terrace or Planting Terrace or rear yard (if and as applicable) and other areas exposed to public view in clean, neat and good appearance and first class condition in accordance with the high quality, character and dignity of the Building and applicable Laws; and (c) to keep a Unit's Terrace or Planting Terrace or rear yard (if and as applicable) and its drains free and clear of snow, ice, water accumulation and debris.

R-4.1.2. Repairs to Residential Limited Common Elements and Association's Residential Properties. The Residential Board Members, acting on behalf and for the account of only the Residential and Storage Unit Owners, shall be obligated to Repair and Maintain the Residential Limited Common Elements, whether within, bordering or adjacent to Units or elsewhere in or on the Building or Property (see Section B, subsection B-5.2.2 for summary of included items), and the Association's Residential Properties (if any) in accordance and compliance with the Building's Maintenance Standard, which requires the Board: (a) to keep the Equipment, Systems and Installations forming part of the Residential Limited Common Elements (whether within, bordering or adjacent to a Unit, or elsewhere) or the Association's Residential Properties (if any) in good and proper working order, free of water leaks and undue air penetration between the Building Walls and Unit window frames and skylight frames (but excluding Unit windows and skylight glass), and

otherwise in clean and sanitary condition; (b) to keep all areas comprising the Residential Limited Common Elements or the Association's Residential Properties (if any) exposed to public view in clean, neat and good appearance, and first class condition, in accordance with the high quality, character and dignity of the Building and applicable Laws; and (c) to keep all outdoor areas comprising the Residential Limited Common Elements (e.g., Roofs, but not any Terraces or Planting Terrace on certain Roofs, and their drainage Systems) and the sidewalk immediately adjacent to the Building free and clear of snow, ice, water accumulation and debris. All Costs and Expenses to Repair and Maintain the Residential Limited Common Elements shall be included in the Residential Common Expenses, which shall be charged to only the Residential and Storage Unit Owners Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and Section 339-m of the Condominium Act (see Section F, subsection F-3 and SCHEDULE B).

R-4.1.3. Repairs to General Common Elements and Association's General Properties. The Condominium Board, acting on behalf and for the account of all Unit Owners, shall be obligated to Repair and Maintain the General Common Elements, whether within, bordering or adjacent to Units or elsewhere in or on the Building or Property (see Section B, subsection B-5.2.1 for summary of included items) and the Association's General Properties (if any) in accordance with the Building's Maintenance Standard (see preceding subsection R-4.1.2 for such standard). All Costs and Expenses to Repair and Maintain the General Common Elements and the Association's General Properties (if any) shall be included in the General Common Expenses, which shall be allocated to all Units and generally apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount fairly and properly attributable to the Residential and Storage Units or the Commercial Units would otherwise require, in which case such fair and proper apportionment and assessment shall be used in accordance with said Special Allocation and Apportionment Rule and Section 339-m.

R-4.1.4. Repairs to Sidewalks. All Sidewalk Cleaning Obligations and Sidewalk Repair Obligations shall be performed by or on behalf of the Condominium Board as part of the General Common Expenses and charged to all Unit Owners Pro Rata to their respective Common Interests (see Section B, subsection B-5.9, and Section H, subsection H-7.16 for further discussion).

R-4.2. Furnishings and Painting of Units. Under the Declaration and By-Laws, each Sold Residential Unit Owner, at his or her expense, is to comply with the following restrictions and requirements:

(a) at least 80% of the indoor floor areas of the Unit (other than the kitchen, pantry (if any), bathrooms, powder room (if any) and closets) must be covered with carpeting, rugs or equally effective noise reducing material Reasonably Approved in writing by the Condominium Board, unless the Board waives this requirement in writing, in its sole and absolute discretion;

(b) the windows, the public side of entrance doors to the Unit or its Terrace, or other portions of the Unit (including any Terrace or Planting Terrace) exposed to public view, shall not be painted (or otherwise Decorated) without first obtaining the prior written Discretionary Approvals or Consents of both the Condominium Board and (during only the Sponsor Veto Control Period) Sponsor;

(c) the exterior and interior sides of windows and skylights are to be washed and cleaned in accordance with applicable Laws;

(d) all window blinds, shades, curtains and treatments are to be light colored or have light colored backings facing outdoors in accordance with the Condominium's rules and regulations, as such rules and regulations may change from time to time by the Condominium Board (any

such changes shall be subject to the Discretionary Approval or Consent of Sponsor during only the Sponsor Veto Control Period); and

(e) the Unit's windows and entrance or Terrace doors (including hardware and saddles) may not be replaced or Altered without Obtaining the prior written Discretionary Approvals or Consents of both the Condominium Board and (during only the Sponsor Veto Control Period) Sponsor.

See Article 10, Section 10.13 of the Declaration and Article 5, Section 5.1 of the By-Laws. The foregoing restrictions and requirements are not applicable to Unsold Residential Units or the Commercial Units, which may be furnished, painted, Decorated and Altered Freely and Without Consent, Payment or Restriction, except all Units must comply with the applicable Work Requirements contained in Section 15.2 of the Declaration and the requirement to wash and clean windows and skylights in accordance with applicable Laws.

R-4.3. Negligence or Abuse. Pursuant to the By-Laws, any Repair or Maintenance to the Common Elements necessitated by the negligence, misuse, abuse or neglect of an Owner, tenant, or occupant of a Unit, or such Party's Agents, Employees and Contractors, shall be Repaired by the Condominium Board at the expense of such Unit Owner (all amounts expended by the Board for the Repair shall be included in the Unit's Common Charges). Such Unit Owner's liability, however, shall be reduced by the amount of any insurance proceeds received and collected by the Condominium Board in connection therewith. See Article 5, Section 5.4 of the By-Laws.

R-4.4. Access to Units. Each Unit Owner must grant access to his or her Unit by the Condominium Board and its designees for the following purposes:

(a) to conduct inspections and read meters;

(b) to Maintain, Repair, Alter and otherwise Operate Equipment and Installations comprising the Common Elements and to provide services to the Unit Owners; and

(c) to perform Work necessary: (c-1) to fulfill obligations under the Condominium Documents or applicable Law; (c-2) to prevent damage to another Unit or the Common Elements; (c-3) to remedy violations or conditions that constitute violations; (c-4) to remedy an uncured default by the Unit Owner under the Condominium Documents; or (c-5) to remedy a condition endangering another Unit or the Common Elements or to avoid the suspension of any necessary services.

Access is to be granted on giving the Unit Owner advance written notice of not less than three (3) business days (if served by mail) or two (2) business days (if served by hand delivery), except in an emergency access may be immediate without advance notice. In the case of access to remedy an uncured default or a condition endangering another Unit or the Common Elements or involving a necessary service, if not an emergency, the Unit Owner shall be afforded an opportunity to perform the corrective Work within 10 calendar days from giving of notice thereof (or if not capable of being performed with due diligence and continuity within such 10 day period) such longer period as required to perform the corrective Work with due diligence and continuity (but not longer than 90 calendar days). See Article 12, subsection 12.1 of the Declaration.

R-5. Additions, Alterations and Improvements. The rights and obligations of Unit Owners and the Condominium Board with respect to additions, Alterations and improvements, the requirements for consents and for the Work, and applicable aesthetic controls are summarized below.

R-5.1.1. Rights and Obligations of Unit Owners. Each Unit Owner shall have the right to make additions, Alterations and improvements to his or her Unit and its appliances, Equipment and Installations, but must obtain the prior written approvals or consents of the Condominium Board and (where indicated) Sponsor for certain Work and comply with certain requirements summarized in subsection R-5.2 below and set forth more fully in the Declaration (see Article 14, Section 14.3 and Article 15, Section 15.2) and the By-Laws (see Article 5, Section 5.2).

R-5.1.2. Rights and Obligations of Condominium Board. The Condominium Board shall have the right to make all necessary or desirable additions, Alterations and improvements (collectively, "**Board Alterations**") to the Equipment, Systems and Installations comprising the Common Elements or the Association's Properties (if any), but must perform all Work in accordance with the applicable Work Requirements contained in Article 15, Section 15.2 of the Declaration and obtain the following approvals or consents before undertaking certain Board Alterations as provided in the Declaration (see Article 14, Section 14.5.2): (a) all Board Alterations to be paid from an increase in Common Charges or a Special Assessment or loan cannot be undertaken during only the Sponsor Veto Control Period without obtaining the prior written Discretionary Approval or Consent of Sponsor; and (b) all Board Alterations that will affect the use, occupancy or Operation of a Commercial Unit or the business of the Owner or a tenant of a Commercial Unit, or any Building service to be provided to a Commercial Unit shall not be undertaken without obtaining the prior written Discretionary Approval or Consent of the Owner of such Commercial Unit.

The Costs and Expenses of Board Alterations to: (a) the Residential Limited Common Elements and the Association's Residential Properties (if any) shall be included in the Residential Common Expenses and charged to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests; or (b) the General Common Elements and the Association's General Properties (if any) shall be included in the General Common Expenses and charged to only those Unit Owners who are obligated to Maintain and Repair such General Common Elements or Association's General Properties, and apportioned and assessed among them Pro Rata to their respective Common Interests or other appropriate basis that reflects the amount fairly and properly attributable to such Unit Owners.

R-5.2. Consents and Requirements for Unit Additions, Alterations and Improvements.

R-5.2.1. Work Not Requiring Consent. No consent or approval of the Condominium Board or other Unit Owners shall be required with respect to the following Work:

(a) furnishing, painting or otherwise Decorating the indoor portions of a Sold Residential Unit that do not involve the Unit's windows or skylight, or the public side of entrance or Terrace doors, or other portions of a Unit (including its Terrace or Planting Terrace, if any) exposed to public view;

(b) any additions, Alterations or improvements to the Unit and its appliances, Equipment and Installations (collectively, "**Unit Alterations**") made by an Authorized First Sold Residential Unit Owner that are approved or consented to in writing by Sponsor (see Section O, subsection O-1.4 above); and

(c) all Unit Alterations to Unsold Units and the Commercial Units, whether structural or non-structural, extraordinary or ordinary, or otherwise.

R-5.2.2. Consents and Requirements.

Consents. All other Unit Alterations to Sold Residential Units cannot be performed without first obtaining all required approvals, permits and work orders of Governmental Authorities having jurisdiction, and the following approvals or consents:

(a) Unit Alterations or Decorations affecting the Structural Components of the Building or a Sold Residential Unit's windows or skylights, the public side of a Sold Unit's entrances, a Sold Unit's Terrace or Planting Terrace (if any) or other portion of a Sold Unit exposed to public view will require the prior written Discretionary Approvals or Consents of both the Condominium Board and (during only the Sponsor Veto Control Period) Sponsor; and

(b) Unit Alterations affecting the HVAC/Mechanical/Utility Building Systems will require the prior written Reasonable Approval or Consent of the Condominium Board.

No approvals or consents of the Board or Unit Owners are required for Unit Alterations to Unsold Units or the Commercial Units.

Requirements. If such approvals or consents are obtained, the Sold Residential Unit Owner must comply with the following requirements as provided in the By-Laws (see Article 5, Section 5.2.4):

(a) before commencing any Work, the Unit Owner, if requested, must sign and deliver to the Condominium Board an alteration agreement (on the standard form for the Building adopted by the Condominium Board and in substance satisfactory to the Board) setting forth the terms and conditions of the Work, which typically include the following: (a-1) Work rules; (a-2) insurance requirements; (a-3) an indemnity in favor of the Board, its agents and employees, and Unit Owners against Claims and Liabilities and Expenses arising from the Work; (a-4) a security deposit; (a-5) submission of plans and specifications of the Work prepared by a registered architect and/or licensed engineer for approval of the Board's architect and/or engineer; (a-6) a period within which the Work must be completed or substantially completed; (a-7) rights and remedies of the Board to (among others) suspend the Work and perform corrective Work at the Unit Owner's expense if the Unit Owner violates the alteration agreement; and (a-8) payment of all governmental fees and the costs, expenses and charges of the Board, including any attorney, architect, engineer or other consultant engaged by the Board, and the Managing Agent, whose fee for Unit Alterations set forth in Section W, subsection W-1.3 below shall be deemed reasonable; and

(b) the Unit Alterations must be performed by duly licensed contractors (if and to the extent required by Law) in accordance with the terms and conditions of the alteration agreement, the plans and specifications for the Work, the requirements of Law and all Governmental Authorities having jurisdiction, and the applicable Work Requirements set forth in Article 15, Section 15.2 of the Declaration.

The foregoing requirements are not applicable to Unit Alterations or Decorations to Unsold Units or the Commercial Units, which may be made Freely and Without Consent, Payment or Restriction, other than the requirements to comply with applicable Laws and the Work Requirements contained in said Section 15.2 of the Declaration.

R-5.2.3. Landmark Law Requirement. No alteration, addition, improvement or repair in or to the Building or a Unit, other than certain ordinary repairs and maintenance as defined in Section 302, of the Landmark Law, that affect any exterior architectural feature of the Building may be undertaken without first obtaining the approval and a Certificate of Appropriateness or a Certificate

of No Effect (as applicable) from the Landmarks Commission. If the proposed work is interior, is of sufficient scope to require a building or work permit, and will not affect any exterior architectural feature of the Building, a submission to that effect to the Landmarks Commission will be necessary. The Commission will issue a Certificate of No Effect under such circumstances on a ministerial basis, which will permit the proposed work to proceed.

R-5.3. Aesthetic Controls and Architectural Requirements. Pursuant to the general powers of the Condominium Board, all determinations as to aesthetics and architectural requirements for the portions of Sold Residential Units and the Common Elements exposed to public view shall be made by the Condominium Board in order to preserve the architectural integrity and appearance of the Building and to maintain the value of all Units. For similar reasons, Sponsor has also reserved the right, during only the Sponsor Veto Control Period, to require all Repairs, Alterations and Decorations affecting the portions of the Sold Residential Units exposed to public view to be approved by Sponsor. See subsection R-4.2(b), (d) and (e) above for aesthetic controls and architectural requirements applicable to Sold Residential Units that are subject to the Discretionary Approvals or Consents of the Condominium Board and (during only the Sponsor Veto Control Period) Sponsor.

R-6. Insurance. The insurance coverage to be provided by the Condominium Board, the insurance coverage each Unit Owner will be responsible to obtain (if desired), the insurance coverage to be obtained under the Plan and the allocation of insurance proceeds are summarized below and set forth in detail in Article 6 of the By-Laws.

R-6.1. Insurance Coverage Provided by Condominium Board. Pursuant to the By-Laws (see Article 6), the Condominium Board is required to obtain the following insurance coverages:

(a) "all risk" fire and casualty insurance coverage insuring the Common Elements (including the Party Walls, Base Floors and Base Ceilings enclosing Units), the Association's Properties (e.g., any Unit owned or leased by the Board or its nominee or designee) and the Building standard bathroom and kitchen fixtures, and covering the interests of the Condominium Association, the Condominium Board, the Unit Owners and their mortgage lenders, as their respective interests may appear, in an amount sufficient to waive co-insurance or based upon an "agreed amount" replacement cost; containing waivers of subrogation, any defense based on co-insurance or other insurance, invalidity based on acts of an insured party and pro rata reduction of liability; containing a New York standard mortgagee provision in favor of mortgagees of Units, but subject to the loss payment provisions in favor of the Condominium Board; and requiring at least 10 calendar days' prior written notice to all insured parties of cancellation or expiration of the policy;

(b) liability insurance coverage insuring against liability for personal injury or property damage in or upon the Common Elements, the Association's Properties (e.g., any Unit owned or leased by the Board or its nominee or designee), the General Vault, and the sidewalks immediately adjacent to the Building, naming as co-insureds the Condominium Board, its members, officers, agents and employees, and all Unit Owners, as their respective interests may appear, and in such amounts and umbrella coverage as shall be determined in the discretion of the Condominium Board, but not less than the liability coverage provided in the First Year's Budget (SCHEDULE B in Section F above) without obtaining the prior written Discretionary Approval or Consent of Sponsor during only the Sponsor Veto Control Period;

(c) boiler and machinery insurance on Equipment constituting part of the Common Elements or the Association's Properties; and

(d) worker's compensation insurance, New York disability benefits insurance and employer's liability coverage covering the Condominium Association's employees.

No coverage will be obtained by the Condominium Board to insure against: (a) loss or damage to the contents of Units (e.g., furniture, furnishings, appliances, Decorations, household items or personal belongings); or (b) liability for personal injury or property damage for occurrences in or upon the Unit (including any Terrace or Planting Terrace). Each Unit Owner should consider the desirability of obtaining these insurance coverages at his or her expense.

R-6.2. Other Available Coverages. The Condominium Board may also obtain such other insurance coverages as the Board shall determine from time to time, including: (a) directors and officers liability insurance; (b) business interruption insurance; (c) elevator collision insurance; (d) water damage legal liability insurance; (e) combination crime insurance; and (f) non-owned and hired automobile liability insurance.

At or prior to the First Closing of a Residential Unit, Sponsor shall obtain, at the expense of the Condominium Board, the insurance coverages set forth in the First Year's Budget (SCHEDULE B in Section F above). See SCHEDULE B for details of the coverages, deductible amounts and estimated premiums. In subsequent years of Condominium Operation, the Condominium Board shall make all determinations concerning insurance to be obtained (including coverages, insured amounts and amounts deductible), subject to compliance with the By-Laws and Sponsor's veto control during only the Sponsor Veto Control Period.

R-6.3. Insurance Proceeds. If less than three-fourths of the Building is destroyed or damaged, the Condominium Board shall promptly arrange to Repair and restore the affected Common Elements, any affected Association's Properties and any affected Building standard bathroom and kitchen fixtures, but not the appliances, Equipment, contents or Decorations of Units not owned by the Board or its nominee or designee, which are the sole responsibility of Unit Owners to Repair and restore at their expense.

If three-fourths or more of the Building is destroyed or damaged and 75% or more in number of all Unit Owners do not duly and promptly resolve to proceed with the Repair or restoration, then the Property or so much thereof as shall remain shall be subject to an action for partition at the suit of any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale and the net proceeds of insurance shall be considered as one fund and shall be divided among all Unit Owners Pro Rata 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 or her share of such fund all liens on his or her Unit.

If the Building is to be Repaired or restored, the net proceeds of insurance shall be paid to the Condominium Board or (at the option of the Board if such proceeds exceed $1,000,000) to an Insurance Trustee appointed by the Condominium Board and applied for such purpose. The Board shall allocate the net insurance proceeds to the affected General Common Elements, Residential Limited Common Elements, Association's Properties and Unit kitchen and bathroom fixtures Pro Rata to the costs to Repair or restore them. If the net proceeds of insurance shall be insufficient, the Condominium Board may obtain funds to pay the deficit from a Special Assessment levied against those Unit Owners who are obligated to pay for the costs to Maintain and Repair such areas and elements. The share of each such Unit Owner in the deficit will be in the same proportion as his or her share of the cost of Maintenance and Repairs. For example, if the net insurance proceeds are insufficient to Repair or restore the Residential Limited Common Elements, the Condominium Board may obtain funds to pay the deficit from a Special Assessment levied

against only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests.

R-7. Restrictions on Occupancy and Use. The restrictions on occupancy and use of Units are summarized below and set forth in the Declaration (see Article 10, Section 10.13) and the By-Laws (see Article 11, Section 11.3).

R-7.1. Limitation on Pets. No Sold Residential Unit may be used to: (a) to breed animals or pets for commercial purposes; or (b) to harbor dangerous or poisonous reptiles, insects or animals, or more than a total of four (4) domestic dogs and cats. A permitted pet whose behavior is a nuisance to occupants of other Units or is the cause of an unsanitary condition or an offensive odor to occupants of other Units shall be removed unless such behavior or condition is corrected within 15 calendar days after giving written notice thereof. The foregoing restrictions do not apply to Unsold Residential Units or the Commercial Units.

R-7.2. Aesthetic Controls. Sold Residential Units must comply with the following aesthetic requirements: (a) no glass surfaces of windows may be painted, colored or otherwise covered; (b) all window shades, blinds, curtains and other treatments must be light colored or have light colored backings facing the outdoors in conformity with the rules and regulations annexed to the By-Laws, and Amendments thereto duly adopted by resolution of the Condominium Board from time to time (said Amendments shall be subject to obtaining the prior written Discretionary Approval or Consent of Sponsor during only the Sponsor Veto Control Period); (c) no windows or entrance or Terrace doors (including hardware and saddles) may be replaced or otherwise Altered without obtaining the prior written Discretionary Approvals or Consents of both the Condominium Board and (during only the Sponsor Veto Control Period) Sponsor; (d) no radio antennae, satellite dishes or other communication devices may be installed on, or projected from, windows, Terraces, Planting Terrace, Building Walls or Roofs (other than a Roof area dedicated by the Board, Sponsor or a Commercial Unit Owner for such purpose, if any) or other area visible from the street; (e) no "For Sale", "For Rent" or other Signs may be installed on or otherwise displayed from windows, Terraces, Planting Terraces or other areas visible from the street; (f) no Terrace or Planting Terrace shall be enclosed, Altered, partitioned, fenced, landscaped, furnished, painted or otherwise Decorated with any planter, structure, object or otherwise without obtaining the prior written Discretionary Approvals or Consents of both the Condominium Board and (during only the Sponsor Veto Control Period) Sponsor in each instance; and (g) no Planting Terrace may be used, entered or walked upon, except in connection with any required or needed Repair or Maintenance or a permitted Decoration (the Planting Terrace is only an ornamental or decorative feature of the Building Walls). The foregoing restrictions are not applicable to Unsold Residential Units or the Commercial Units. See Section 10.13 of the Declaration.

R-7.3. Business or Professional Use. Sold Residential Units are to be used only as a private dwelling and incidental home occupations permitted by Law, but may not be used for any business or professional use that is not a permitted incidental home occupation. Sold Storage Units are to be used only as accessory storage. These limitations are more restrictive than those applicable to Sponsor's Unsold Residential and Storage Units, which may be used for all lawful purposes (other than Prohibited Uses), including as models and offices for the sale, Promotion, rental, Operation and management of Unsold Residential and Storage Units.

R-7.4. Occupancy Restrictions. In order to provide for the congenial occupancy of the Property and to protect the value of Units, occupancy of Sold Residential Units shall be limited to the following in accordance with Section 13.3.2 of the By-Laws:

(a) if owned or leased by one or more individuals: occupancy of the Sold Residential Unit shall be limited to such individual(s) and his or her (or their) immediate family, domestic employees and temporary non-paying guests; and

(b) if owned or leased by a corporation, partnership, limited liability company, trust, consulate, sovereign government, or other Entity: occupancy of the Sold Residential Unit shall be limited to an individual who is an officer, director, shareholder, member, partner, fiduciary, trust grantor or beneficiary, principal or employee designated by such Entity, and said designee's immediate family, domestic employees and temporary non-paying guests.

The immediate family, domestic employees and guests will be permitted to occupy the Unit even though the Owner or permitted tenant or subtenant (as applicable) is absent. No transient occupancy (other than a temporary non-paying guest) shall be accommodated in a Sold Residential Unit at any time. The Condominium Board, however, may, in its sole discretion, permit Sold Residential Units to be occupied by other Persons. The foregoing restrictions on occupancy do not apply to Unsold Residential Units or the Commercial Units, which may be occupied by anyone, regardless of relationship or lack of relationship with the respective Owners of such Units.

R-7.5. Restrictions on Illegal or Offensive Uses. No Unit may be used for any Prohibited Uses, namely: (a) any use that impairs or threatens the structural integrity of the Building or the life, health or safety of Owners, tenants or occupants of Units; (b) any use that is an unreasonable nuisance to other Unit Owners or an unreasonable interference with the peaceful possession or proper use of other Units or the Common Elements for their intended or permitted purposes as stated in this Plan and the Condominium Documents; (c) any use that violates applicable Laws; or (d) any use that results in the cancellation or a notice of cancellation of insurance maintained by the Condominium Board.

No barbecuing shall be allowed in a Residential Unit or on its appurtenant Terrace or Planting Terrace. In addition, to safeguard against noise disturbances: (a) at least 80% of a Sold Residential Unit's floors (excluding kitchen, pantry (if any), bathrooms, powder room (if any) and closets) shall be carpeted or otherwise covered with an equally effective noise reducing material; (b) loud playing of musical instruments, sound systems, radios, television sets or other devices which disturb or annoy other occupants of the Building shall not be permitted between midnight and the following 8:00 a.m. and in no event shall singing or practicing musical instruments be allowed in Sold Residential Units before 9:00 a.m. or after 10:00 p.m.; or (c) Repairs and Alterations in Sold Residential Units shall be performed on such days and during such hours as shall be determined by the Condominium Board (all of the foregoing restrictions are not applicable to Unsold Residential Units or the Commercial Units). See Section H, subsections H-1 and H-3 for existing uses and permitted changes in use of the Commercial Units.

R-7.6. Limitations on Guest Privileges. Only temporary non-paying guests of the Owner or a permitted tenant or subtenant of a Sold Residential Unit may occupy the Unit overnight. The Condominium Board may adopt rules and regulations governing the duration of occupancy by guests, notice requirements and security measures.

R-7.7. Limitations in Utilization of Common Elements. The Common Elements are to be Used and Enjoyed in common by all Unit Owners (as to the General Common Elements) or all Residential and Storage Unit Owners (as to the Residential Limited Common Elements), and their respective Permitted Tenants/Occupants/Invitees for all purposes for which they are reasonably intended, suited and capable. The Condominium Board shall have the right to determine, and to amend the Rules and Regulations governing, the use of the Common Elements, provided such uses shall be in accordance and compliance with, and subject and subordinate to the rights and easements

provided in, the Declaration and By-Laws. See Section O, subsection O-1.6 for summary of rights and easements of Sponsor to use the Common Elements. See also Section H, subsections H-7.6 and H-7.9 for summary of rights and easements of the Commercial Unit Owners to use the Common Elements. For applicable provisions, see Articles 10, 11 and 12 of the Declaration and Article 11 of the By-Laws.

R-7.8. Limitations in Certificate of Occupancy and Zoning Law. The temporary or partial Certificate of Occupancy to be issued as and when Units are completed, and the permanent Certificate of Occupancy to be issued upon completion of all Units, will limit the use of Residential Units to one-family dwellings, the use of Storage Units to accessory residential storage, and the use of Commercial Units to commercial uses. The current zoning for the Property is M1-6, which allows commercial and light manufacturing uses. The Building is being rehabilitated and renovated for the residential uses set forth above on floors 2 through 20 pursuant to a special permit issued by the City Planning Commission. Ownership of a Storage Unit is restricted to Sponsor or a Residential Unit Owner (see Section A, subsection A-17). The Commercial Units are not restricted to their current uses (see Section A, subsection A-1).

R-8. Remedies. The remedies available to the Condominium Board, Sponsor (as Owner of an Unsold Unit) and a Commercial Unit Owner in the event of a violation of the Declaration or By Laws for other than non-payment of Common Charges or Special Assessments are contained in Article 17 of the By-Laws and include the following:

(a) Self-Help: if a Unit Owner fails to cure a violation within 30 calendar days (or 90 calendar days in certain cases) after being given written notice of the violation, the Condominium Board or (in its absence and during only the Sponsor Veto Control Period) Sponsor shall have the right (but will not be obligated) to remedy the violation for the account and at the expense of the Unit Owner, who will also be liable for all Costs and Expenses of collection thereof (all amounts owed to the Board shall constitute Common Charges payable by such Unit Owner); provided, however, in an emergency, the foregoing remedy of self-help may be exercised immediately, without prior notice and without allowing the Unit Owner a cure period; and

(b) Abatement and Enjoinment: the Condominium Board or (in its absence and during only the Sponsor Veto Control Period) Sponsor may bring suit to abate, enjoin or remedy the continuance or repetition of any violation by a Unit Owner and to recover from a Unit Owner all Costs and Expenses incurred in connection with such violation and such suit, together with the Costs and Expenses of collection thereof.

R-9. Arbitration. Any matter required or permitted by the Condominium Documents to be determined by arbitration will be submitted to three (3) arbitrators (in the case of claims aggregating in excess of $100,000) or a single arbitrator (in all other cases) in New York City in accordance with the then existing commercial arbitration rules of the American Arbitration Association (or any successor organization). The decision of a majority of the arbitrators or the arbitrator (as applicable) will be binding on the disputants and may be entered into any court having jurisdiction.

The fees, Costs and Expenses of the arbitrator(s) will be paid equally by the disputants, unless otherwise determined by the arbitrator(s). Each disputant will pay the fees, Costs and Expenses of the disputant's attorney and witnesses. All amounts paid by the Condominium Board in an arbitration will constitute either a General Common Expense (if the dispute involves the General Common Elements, the Association's General Properties, or all or a portion of both the Residential Space and a Commercial Unit, or the General Common Expenses) or a Residential Common Expense (if the dispute involves only the Residential Space, the Association's Residential Properties or the Residential Common Expenses).

R-10. Rules and Regulations. Unit Owners will be required to comply with the Rules and Regulations attached to the By-Laws (see Addendum to DOCUMENT 7 in Part II of this Plan), as they may be amended from time to time by a majority of the following Board Members attending a duly constituted Board meeting at which a quorum is present: (a) in the case of the Residential Space only: a majority of those Residential Board Members attending the meeting; or (b) in the case of the General Common Elements: a majority of those Residential and Commercial Board Members attending the meeting. The Rules and Regulations, including Amendments thereto, may be overruled by vote of a majority in number and Common Interest of those affected Unit Owners attending a duly constituted meeting of Unit Owners at which a quorum is present. Unit Owners will be given a copy of any Amendment to the Rules and Regulations at least thirty (30) calendar days before it becomes effective.

The Rules and Regulations and any Amendments to them are subordinate to Sponsor's/Commercial Owner's Rights under this Plan, a Plan Amendment and the Condominium Documents. Accordingly, any Rules and Regulations, as they may be amended, which violates the superior rights of Sponsor, Unsold Unit Owners or the Commercial Unit Owners will not be enforceable against them.

R-11. Successors and Assigns. The powers and duties of a Unit Owner under the Condominium Documents will pass to the Unit Owner's successors and assigns and (in the case of Sponsor Units, including Unsold Units) Sponsor's designees. However, the Sponsor's Rights (i.e., the rights, powers, easements, licenses, indemnities, privileges, exemptions, remedies, protections and other benefits) reserved exclusively for Sponsor and Sponsor's designee may only be exercised by Sponsor or an Unsold Unit Owner, or a "Designee" or "Involuntary Transferee" of either, or a "Successor in Interest" of any of the foregoing (as said quoted terms are defined in Article 28 of the Declaration). In addition, subject to compliance with the Declaration, a Permitted First Mortgagee or a purchaser at a foreclosure sale of a Permitted First Mortgage or of the Condominium Board's lien under the Condominium Act will not be responsible for any unpaid Common Charges (including unpaid installments of any Special Assessments) of the delinquent predecessor Unit Owner. Rather, such Permitted First Mortgagee or purchaser at a foreclosure sale will be responsible only for the obligations that accrue from and after becoming the Owner of the Unit (including Common Charges, installments for Special Assessments and any other amounts that become due and payable from and thereafter).

R-12. Termination of Condominium. The Condominium shall continue until the occurrence of any of the following events (**"Condominium Termination Events"**):

(a) a destruction or substantial damage of three-fourths or more of the Building and 75% or more in number of all Unit Owners do not duly and promptly resolve to proceed with the repair or restoration;

(b) a taking by condemnation or eminent domain of the entire Property; or

(c) a withdrawal of the Property from the Condominium Act authorized by Unit Owners owning more than 95% in number and Common Interest of all Units, in writing or by vote cast by written ballot at a meeting of Unit Owners at which a quorum is present, duly called for such purpose; provided, however, that a vote of a Unit Owner in favor of withdrawal shall not be effective or counted without the prior written consent of the holder of a "Registered Mortgage" (as defined in Section 16.13 of the By-Laws) on such Owner's Unit, if any and if such mortgage so provides (see Section 19.1 of Declaration for details), and provided further that Sponsor or its designee (as applicable), as Owner of Unsold Residential and Storage Units, will not vote its interests appurtenant to any Unsold Residential and Storage Units for such withdrawal unless more than said 95% in number and Common Interest of all other Unit Owners have voted in favor of such withdrawal, at which time Sponsor or its designee (as applicable) may choose to vote either in favor of, or against, withdrawal from condominium ownership, as it sees fit.

The Condominium Board and its nominee or designee shall have no voting rights with respect to any Units owned by each of them and such Parties and Units shall be excluded from the base number of Owners, Units and Common Interests for quorum and voting purposes in determining whether such 75% or 95% threshold is met.

Upon the occurrence of a Condominium Termination Event (other than said taking of the entire Property pursuant to clause (b) above), the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common. The net proceeds of sale resulting from such action for partition shall be divided among all Unit Owners Pro Rata 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 its share of such funds, such amounts as may be necessary to discharge all unpaid liens on the Owner's Unit in the order of the priority of such liens. In the event the entire Property is taken pursuant to said clause (b) above, then the award of the taking authority shall be apportioned among all Unit Owners Pro Rata to the respective then existing fair market values of the Units and their appurtenant Common Interests as provided more fully in Article 19 of the By-Laws.

R-13. Incurring Debt. The Condominium Board may not borrow any sum during the Sponsor Veto Control Period without first obtaining Sponsor's prior written Discretionary Approval or Consent therefor. Thereafter, the Condominium Board may incur debt without the approval or consent of Sponsor or other Unit Owners. Any debt incurred by the Board in accordance with this Plan and the By-Laws may be secured by the Board as follows: (a) the Board may assign the rights in and to future income and Common Charges; (b) the Board may create a security interest, mortgage or other encumbrance on funds or other real or personal property held by the Board, (c) the Board may agree the Common Charges received and to be received by the Board shall constitute trust funds for the purpose of paying the debt; and (d) the Board may agree to increase Common Charges at lender's direction to the extent necessary to pay any amount when due under the debt instruments, all as provided more fully in Real Property Law Section 339-jj.

R-14. Real Property Law Section 339-kk. Under Real Property Law Section 339-kk ("**Section 339-kk**"), if a non-occupying Owner (including Sponsor) rents the Owner's Residential Unit to a rental tenant and then fails to make payments due for Common Charges, Special Assessments or late fees (collectively, "**Condominium Charges**") for such Unit within sixty (60) days after the expiration of any grace period of the earliest due date, the Condominium Board shall provide written notice to the tenant and the non-occupying Owner ("**delinquent Owner**" or "**such Owner**") providing that, commencing immediately and until such time as all payments for Common Charges, Special 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 Board at the address listed on the notice. Under this Plan, the notice is also to include a detailed statement of each of the unpaid Condominium Charges, setting forth the amount owed, when the amount was due and the nature of the unpaid Condominium Charge (that is, Common Charges, Special Assessments and/or late fee, as applicable).

Where a majority of the Condominium Board 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 Board. At such time as payments for Condominium Charges from the delinquent Owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and the delinquent Owner. Thereafter, all rental payments shall be made payable to such Owner or a designated agent. A delinquent Owner who disputes the Condominium Board's claim to rental payments pursuant to Section 339-kk shall be entitled to

present facts supporting such Owner's position at the next scheduled meeting of the Board, which must be held within thirty (30) calendar days of the date that the Condominium Board receives notice that such Owner seeks to dispute the claim. Nothing in Section 339-kk shall limit any rights of Unit Owners or of the Condominium Board existing under any other Law or agreement.

Payment by a rental tenant to the Condominium Board made in connection with Section 339-kk shall relieve that rental tenant from the obligation to pay rent to the delinquent Owner and shall be an absolute defense in any non-payment proceeding commenced by such delinquent Owner against the tenant for rent.

It is noted that if a delinquent Owner owns two (2) or more Residential Units occupied by rental tenants, the Condominium Board may collect the rent from only the rental tenant of each Unit whose Condominium Charges are in arrears for sixty (60) days or more. The Condominium Board shall apply the rent collected from the rental tenant to reduce the unpaid Condominium Charges of the Unit occupied by such rental tenant.

Furthermore, under this Plan, the Condominium Board will be required to send the delinquent Owner, not less often than once a month, a detailed written accounting of the amount received and collected from the rental tenant. If a rental tenant's rent check is dishonored or returned uncollected, the Condominium Board shall also be required to send the delinquent Owner the dishonored or uncollected check promptly after receipt.

To the extent not prohibited by Section 339-kk: (a) the delinquent Owner shall continue to have the exclusive right to enforce the rental tenant's lease (if any) and tenancy obligations and to assert all rights and remedies available to such Owner as landlord, and the Condominium Board shall be absolved of all responsibility and liability with respect thereto; and (b) the rights granted to the Condominium Board under this statute are subordinate to the rights of a holder of any mortgage lien or other security interest in a Residential Unit owned by a non-occupying Owner.

Section 339-kk does not address certain issues, including the following: (a) the priority of rights between the Condominium Board and a holder of a mortgage secured by the Unit of a delinquent Owner or the assignee of a collateral assignment of rents given by such Owner to collect rents from such Owner's tenant; (b) the remedies of the Condominium Board if the tenant fails or refuses to make rental payments to the Board after giving the required notice under Section 339-kk; and (c) the remedies of a delinquent Owner if such Owner disputes the Condominium Board's claim to rental payments and thereafter the Board fails, refuses or delays in scheduling the required meeting at which the delinquent Owner is entitled to present facts supporting such Owner's position or said meeting is held but the Board rejects such Owner's position. Sponsor makes no representation with respect to the foregoing issues or the income tax consequences while the rental payments from such Owner's tenant are being collected by the Condominium Board, or otherwise. Prospective Purchasers are advised to consult their own attorneys or advisers with respect to Section 339-kk and its impact on them.

R-15. Continuing Maintenance Program. In order to obtain the special permit from the City Planing Commission of The City of New York to allow the Building to be renovated with the Residential and Storage Units, Sponsor executed and recorded a certain "**Restrictive Declaration**" against the Property wherein, among other things, the Condominium Board will be obligated, at its expense, to comply with the obligations, restrictions and requirements of a so-called "**Continuing Maintenance Program**". These include the following obligations, restrictions and requirements:

(a) the obligation of the Board to establish and carry out a cyclical inspection and maintenance program in which : (a-1) every five (5) years a preservation architect, engineer or other qualified expert ("**Preservation Architect**") selected by the Board and approved by the

chairperson of the Landmarks Commission shall inspect specified exterior and interior portions of the Building and report thereon ("**5 Year Maintenance Report**"), including an outline of the existing conditions and details of the work which should be performed in order to maintain the Building in a sound first-class condition; and (a-2) the Board shall perform all work disclosed in such 5 Year Maintenance Report, or determined by the Commission that is necessary to maintain the Building in sound first-class condition, within a specified nine (9) month period, subject to the right of the Board to contest in a hearing before the Commission any item of work in such report;

(b) the obligation of the Condominium Board to use all reasonable means to save, protect and preserve the Building at the time of and following a damage or destruction by fire, the elements or other cause ("**Emergency Incident**"), including: (b-1) to act with an approval from the chairperson of the Commission to stabilize and prevent further damage to or deterioration of the Building; (b-2) to give immediate written notice of the Emergency Incident to the Commission; and (b-3) within 60 days of the Emergency Incident, to cause a Preservation Architect to inspect the Building and issue a report ("**Emergency Incident Report**") outlining its condition, assessing the extent of damage and recommending work to be undertaken immediately to stabilize and prevent further damage to the Building ("**stabilization work**") and work to be performed to repair and restore the Building to a sound first-class condition ("**restoration work**"), subject to the right of the Board to apply to the Commission for permission to demolish the remaining portions of the Building in lieu of the foregoing; (b-4) (if stabilization work is to be performed) to immediately upon receipt of the Emergency Incident Report vigorously pursue all necessary permits and upon their issuance or (if none is required) upon receipt of said report undertake all work with alacrity; (b-5) (if restoration work is to be performed) within 90 days after receiving the Emergency Incident Report, to apply for all necessary permits and certificates from the Commission to repair and restore or to demolish; (b-6) to abide by any determination of the Commission with respect to demolition or to perform a specific item of work or method of work; (b-7) to complete all restoration work within nine (9) months from issuance of the requisite certificate or permit by the Commission, or such longer period as may be permitted by the chairperson of the Commission if such work cannot be completed within nine (9) months for reasons beyond the Board's control; and

(c) the obligation to allow access to the Building to the Commission and its designated representatives at reasonable times and upon reasonable written notice, except in the case of emergency access is to be immediate without notice.

If the Board fails to perform its obligations under this Continuing Maintenance Program, and such failure continues for 60 days from receipt of notice thereof from the Commission, or if the Board commences to perform work but fails diligently to prosecute the work to completion, The City of New York may perform all necessary work at the sole cost and expenses of the Board. In connection therewith, the City shall have the right to enter onto the Property and to charge the Board for all actual costs of the work together with the actual administrative and legal fees of collection thereof. The City will have a lien against the Property for such actual costs expended by the City, which may be filed, perfected and enforced in the same manner as a lien for materials and labor under Article 2 of the Lien Law. The City may also pursue other remedies based on such failure, including a mandatory injunction to compel the Board to comply with the provisions of the Restrictive Declaration. Before any proceeding is commenced, the Board will have the opportunity to cure a violation of the Restrictive Declaration for 45 days after written notice of the violation is given to the Board. Such 45 day period will be extended for so long as the Board continues to proceed diligently to effectuate such cure The liability of each Unit Owner for the costs of compliance with the Restrictive Declaration shall be limited solely to the amount of such

Owner's prorated share of the fee estate and interest of the Unit Owner in the Property, based on such Owner's Common Interest.

The Condominium Declaration provides that the Board is obligated to comply with the obligations and restrictions contained in the Restrictive Declaration, which include the Continuing Maintenance Program (see Article 31). The Condominium Declaration also provides therein that, if the Condominium Board fails or refuses to perform or complete any work under the Restrictive Declaration in a timely manner and at least ten (10) calendar days before the expiration of any applicable grace period, each Commercial Unit Owner shall have the right (but shall not be obligated) to so do for the account and at the expense of the Condominium Board. Any amounts expended by a Commercial Unit Owner for the account of the Board shall be reimbursed to such Commercial Unit Owner by the Board within five (5) business days after written demand therefor is given to the Board accompanied by a reasonably detailed statement setting forth the amounts and nature of all sums for which reimbursement is sought and copies of all supporting or relevant bills. If full payment of all amounts demanded is not received by such Commercial Unit Owner within ten (10) calendar days after giving such demand notice, then the Condominium Board shall also reimburse said Commercial Unit Owner, for lost opportunity of earnings, per diem interest on the unpaid amount demanded at the yearly rate of ten percent (10%) (computed from the first day following the ten (10) calendar day period through the date payment is received), together with all Costs and Expenses of collection of the amount owed.

The fee and charges of the Preservation Architect to make periodic inspections and to prepare the 5 Year Maintenance Report, the Local Law 10/11 façade report and an Emergency Incident Report shall be included in the Residential Common Expenses and allocated, apportioned and assessed to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests. The Costs and Expenses of all Work performed pursuant to such reports and the Continuing Maintenance Program shall be included in the Costs and Expenses to Repair the affected portions of the Building (i.e., the Residential Common Expenses, if involving the Building Walls, Roofs or Roof Structures enclosing the Residential Space or other portions of the Residential Limited Common Elements, and/or the General Common Expenses, if involving the mechanical room on the floor 21 mechanical level or the walls, Roof or Roof Structures enclosing such room, or other portions of the General Common Elements, as applicable).

END OF SECTION R

SECTION S. REAL ESTATE TAXES

S-1. Separate Assessment of Units. Each Unit will be assigned a separate tax lot upon the recording and filing of the Condominium Documents at the Register's Office for Manhattan. After the Units are separately assessed and billed for real estate taxes, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will his or her Unit be subjected to, any lien arising from the non-payment of taxes on other Units.

S-1.1. Delay in Separate Assessments. Generally, the Units will not be separately assessed and billed for real estate taxes by the taxing authority for a period of approximately six (6) months following the recording and filing of the Condominium Documents. Until then, real estate taxes will continue to be assessed to the entire Property, which shall be included in the General Common Expenses and specially allocated and apportioned among the Units by the Condominium Board pursuant to the Special Allocation and Apportionment Rule and RPL Section 399-m as explained below.

S-1.2. Procedure to Pay Real Estate Taxes to Board. While the real estate taxes are assessed to the entire Property, each Unit Owner will pay his or her share of such taxes ("**Tax Share**") to the Condominium Board as part of the Unit's General Common Charges, which shall be allocated and apportioned among the Units in the same manner used to determine the estimated amount of real estates of each Unit in SCHEDULE A of Offering Prices (see Section E above). In accordance therewith, the Property's real estate taxes will be allocated 85.401% to all Residential and Storage Units and 14.599% to the Commercial Units, and then apportioned among the Residential and Storage Units Pro Rata to their respective initial offering prices in SCHEDULE A (see subsection S-2 below for discussion).

S-1.3. Adjustments. After the Units are separately assessed and billed for real estate taxes, each Unit Owner whose Unit was not separately billed for real estate taxes at Title Closing will adjust with the Condominium Board any overpayment or underpayment in the real estate taxes payable to the Condominium Board during the interim period before the Unit is separately assessed and billed for real estate taxes ("**Interim Tax Period**"). The adjustment shall be based on the difference between the Tax Share of the Unit at the time of Title Closing and the product of:

(a) the taxable assessed valuation of the Property at Title Closing;

multiplied by

(b) the ratio that the initial actual separate assessed valuation of the Unit bears to the aggregate initial actual separate assessed valuations of all Units;

multiplied by

(c) the tax rate applicable to the Unit during said Interim Tax Period.

Once the Units are separately assessed and billed for real estate taxes, the Condominium Board and each Unit Owner will have the right to adjust any overpayment or underpayment of such real estate taxes based on the formula described above. Written notice setting forth a calculation of the amount due must be sent within a deadline of sixty (60) calendar days after the Unit is separately assessed and billed for real estate taxes. Such sixty (60) calendar day period is a "TIME OF THE ESSENCE", or deadline, period. If notice is not timely sent, no adjustment will be made. Any underpayment owing to the Condominium Board will be regarded as Common Charges and, if not

paid, will entitle the Condominium Board to all the rights and remedies in the case of non-payment of Common Charges. Any overpayment to the Condominium Board will be credited against (that is, reduce) the next due payments of Common Charges or (at the sole option of the Condominium Board) refunded to the Unit Owner.

See Section N, subsection N-1.3 above for similar adjustment to be made between Sponsor and Purchaser with respect to the real estate taxes apportioned at Closing of Title.

S-2. Present and Projected Real Estate Taxes.

S-2.1. Present Real Estate Taxes. Real estate taxes are set by the Department of Finance of The City of New York ("**Department of Finance**").

The real estate tax information for the Property for the current fiscal tax year is as follows:

Tax Year	Actual Assessed Valuation[1]	Transitional Assessed Valuation[1]	Blended Tax Rate per $100 of Assessed Valuation[2]	Real Estate Taxes
7/1/02 to 6/30/03	$3,672,000	$3,479,400	$10.678	$371,530

(1) Real estate taxes are based on the lower of the actual or transitional assessed valuation.

(2) This is the pre-completion commercial tax rate applicable to the Property and is a blending of two (2) rates for the first half and second half of the 2002/2003 fiscal tax year.

CAVEAT: The current assessment does not reflect the higher assessment to be applicable upon completion of construction (see subsection S-2.3 below) and is being provided for informational purposes only.

S-2.2. Method to Determine Assessment. Real estate taxes are set by the Department of Finance based on its determination of a property's fair market value. Lippman Krasnow & Kelton LLP ("**LK&K**") explains in its opinion letter (reproduced at the end of this Section S) that the current status of assessment utilized by the property division of said Department of Finance is to assess a property at 45% of its fair market value. See subsection S-4.1 below for restrictions or limitations on assessments of condominium units under state laws.

S-2.3. Projected Real Estate Taxes in SCHEDULE A. The projected real estate taxes payable by Unit Owners for the first year of Condominium Operation in SCHEDULE A (in Section E above) are based in part on the following projections of LK&K in its opinion letter of the *higher* estimated post-completion 2004/2005 taxable assessed valuation of the entire Property (see subsection S-3 below), the amount thereof estimated to be apportioned by the taxing authority (Department of Finance) to the Residential and Storage Units and the estimated 2004/2005 tax rate per $100 of assessed valuation (expressed below as a percentage):

Estimated *Post-Completion* 2004/2005 Taxable Assessed Valuation of Entire Property:	$5,922,000
Estimated Apportionment to Residential and Storage Units:	85.401%
Estimated *Post-Completion* 2004/2005 Taxable Assessed Valuation of All Residential and Storage Units ($5,922,000 x 85.401%):	$5,057,447
Estimated 2004/2005 Tax Rate:	13.769%
Estimated *Post-Completion* 2004/2005 Real Estate Taxes of All Residential and Storage Units ($5,057,447 x 13.769%):	$696,360

For purposes only of estimating each Unit's real estate taxes in SCHEDULE A, the amount so allocated to all Residential and Storage Units was apportioned among them Pro Rata to their respective initial offering prices in SCHEDULE A. The figures in SCHEDULE A are only estimates and are not in proportion to the Common Interests of Units. The tax assessment for each Unit may be allocated on a basis that differs from the allocation of Common Interests.

CAVEAT: Instead of using offering prices, the taxing authority may use actual sales prices, which are a truer indicator of value. See footnote (6) to SCHEDULE A for discussion.

SPONSOR, SELLING AGENT AND LK&K DO NOT REPRESENT, ASSURE OR GUARANTEE THE ACTUAL PORTION OF THE PROPERTY'S ASSESSED VALUATION TO BE APPORTIONED TO EACH UNIT BY THE TAXING AUTHORITY, WHICH WILL LIKELY VARY, PERHAPS SUBSTANTIALLY, FROM THE ESTIMATES IN THIS PLAN AND LK&K'S OPINION.

S-3. Projected Assessed Valuation After Completion of Construction. The Residential and Storage Units are not expected to have been sufficiently completed to reflect their full post-completion assessment until the July 1, 2004 to June 30, 2005 tax year at the earliest (assuming certain commercial tenants voluntarily vacate before their leases expire). For purposes only of presentation, the projected real estate taxes in SCHEDULE A are based on the projections of LK&K of the *higher post-completion* 2004/2005 taxable assessed valuation of the entire property of $5,922,000 (see preceding subsection S-2 for discussion).

S-4. Changes in Assessed Valuation. A property's actual assessed valuation may change from year-to-year based on: (a) improvements to the property, which would increase its actual assessed valuation and be taxable in full in the year the actual assessed valuation is increased; or (b) an increase or decrease in market value of the property, which would correspondingly increase or decrease its actual assessed valuation. An increase in market value will be phased in over five (5) years in equal annual increments of twenty percent (20%). A property's transitional assessed valuation reflects the then current phased-in assessed valuation. A property's "taxable" assessed valuation on which real estate taxes are determined is the lower of its actual or transitional assessed valuation.

Anticipated Changes in Property's Assessment. At the date of this Plan, the projected changes in the assessed valuation and tax rates which will affect the Units are reflected in SCHEDULE A and footnote 6 thereto (see Section E above). See also discussion in the preceding Section S-3.

S-4.1. RPL §339-y and RPL §581. The conversion of the Property to condominium ownership and the sale of Units under this Plan is not expected to have a material effect on the Property's assessment based on the impact of two statutes. They are: (a) RPL §339-y(1)(b), which prohibits the aggregate of the assessment of condominium units plus their common interests from exceeding the total valuation of the property were it assessed as a single parcel; and (b) Real Property Tax Law §581, which requires a property owned on a condominium basis to be assessed no higher than it would have been had it not been owned on a condominium basis. The intended effect of these laws is to prevent the total assessments of all units and their common interests in a property that is owned as a condominium from exceeding the total valuation of the property had it instead been operated as a rental. Since laws are subject to varying interpretations, Sponsor and Selling Agent cannot, and do not, represent, assure or guarantee how these laws will be applied to the assessed valuations of the Units.

S-5. Tax Certiorari Proceedings. Sponsor has not applied or commenced proceedings to reduce the Property's assessed valuation for the current fiscal tax year 2002/2003 or prior tax years, but

reserves the right to seek to reduce the Property's real estate taxes for all fiscal tax years that begin prior to the First Closing of a Residential Unit.

Any refund, reduction or savings in real estate taxes for a tax year preceding the Closing of Title to a Unit will be paid and belong entirely to Sponsor. Any refund, reduction or savings in real estate taxes for the tax year in which the Closing of Title to a Unit is consummated, after deducting the Costs and Expenses attributable to obtaining such refund, reduction or savings, will be apportioned between the Purchaser of such Unit and Sponsor in accordance with the respective portions of the tax year that each owns the Unit. The Costs and Expenses of the application and (if applicable) the proceeding to reduce taxes will not be charged to a Purchaser unless the tax year at issue relates to such Purchaser's period of ownership and the Purchaser's taxes are refunded, reduced or otherwise saved. In such case, the amount charged may not exceed the amount of the Purchaser's refund or the amount in taxes not paid based on a reduction or savings in real estate taxes (as applicable).

If Sponsor's application and (if applicable) the proceeding to reduce real estate taxes results in a refund, reduction and/or savings in an Owner's real estate taxes for a tax year subsequent to the tax year Title Closes, such Owner will reimburse Sponsor for his or her Pro Rata share of the Costs and Expenses incurred to obtain such favorable result. However, in no event will the amount to be reimbursed exceed the amount of the refund or the amount not paid by reason of such reduction or savings. The Unit Owner is to reimburse Sponsor within ten (10) calendar days after Sponsor sends said Owner a written demand for payment, which will include a detailed statement of all Costs and Expenses incurred and the basis for their apportionment to the Owner.

S-6. By-Law Provision on Review of Assessment. Under the By-Laws (see Article 2, subsection 2.4.2(w)), the Condominium Board is authorized to act as agent for Unit Owners to seek reductions in the tax assessments with the taxing authority. The Board's authority includes applying for administrative and judicial review of the tax assessment and negotiating and settling with the taxing authority. A Unit Owner may revoke the Board's agency by written notice, which must be received before the Board commences any litigation on behalf of the Unit Owner. Sponsor and Selling Agent cannot, and do not, represent, assure or guarantee that the Condominium Board will exercise this authority or the outcome of any tax assessment reduction application or proceeding brought by the Condominium Board.

S-7. Real Estate Tax Benefits.

No tax exemption or abatement benefits under Real Property Tax Law ("**RPTL**") Section 489 and Section 11-243 of the New York City Administrative Code (formerly known as Section J-51) or RPTL Section 421-a will be received by the Property. The exemption or abatement benefits currently available to eligible owners of condominium units under other provisions of the RPTL and their potential application (if any) to eligible Residential Unit Owners of the Condominium are discussed below.

S-7.1. RPTL Section 425 (STAR) Exemption. Real Property Tax Law ("**RPTL**") Section 425 (school tax relief (STAR) exemption) provides a partial exemption from the school tax portion of a property's assessed valuation. This exemption amounts to $1,710 for an eligible condominium unit located within The City of New York for tax year 2002/2003, assuming the unit owner is less than 65 years of age. An enhanced benefit, amounting to $2,850, is available to senior citizens who have attained the age of 65 as of December 31, 2002, and who have a combined household income (adjusted gross income as reported on applicant's latest available federal or state income tax return) which does not exceed $60,000. The benefit is only available to units which serve as the primary residence of one or more of the owners thereof. A qualified unit owner must file an

application with the local assessor on or before the applicable tax status date (i.e., January 5, 2003 for the 2003/2004 tax year).

CAVEAT: No Purchaser will be eligible for this benefit until tax year 2004/2005, assuming title has passed from Sponsor prior to January 5, 2004 and all other eligibility requirements are satisfied, including the filing of a complete, timely application with the Department of Finance. In addition, the amount of the partial exemption from the assessed valuation will vary from year to year. Sponsor, Selling Agent and LK&K do not represent, assure or guarantee the amount exempt at the time title passes to a Purchaser or that all eligibility requirements will be met. Due to these uncertainties, no such exemption is reflected in SCHEDULE A (in Section E).

S-7.2. RPTL Section 467-a Tax Abatement. Since its enactment in 1996, RPTL Section 467-a has provided partial tax abatement to owners of residential cooperative and condominium units.

CAVEAT: The statute contains a "sunset" provision, which presently provides for benefits through June 30, 2004. On such date, the statute and benefits will expire, unless extended by the New York State legislature and signed by the Governor. Sponsor, Selling Agent and LK&K do not represent, assure or guarantee that the statute will be extended or, if it is, that the benefits will be the same. No such tax abatement is reflected in SCHEDULE A (in Section E). PURCHASERS UNDER THIS PLAN WILL NOT BE ENTITLED TO, AND SHOULD NOT RELY UPON RECEIVING, ANY TAX BENEFITS UNDER THIS STATUTE, ABSENT SAID EXTENSION WITH ITS CURRENT BENEFITS. The Plan will be amended to disclose an extension of the statute, if enacted, and the benefits thereunder. *The following discussion of current benefits under the statute is for informational purposes only.*

The statute currently provides a partial tax abatement to owners of residential condominium units to the extent of 17½ percent of the net property taxes due on eligible dwelling units with an average assessed valuation greater than $15,000[1], after deduction of any abatement received pursuant to RPTL Section 489 ("J-51" benefits).[2] In order to qualify for these benefits for tax year 2003/2004, the following requirements must be met: (a) eligible units must be used primarily for residential purposes, and may not be owned by a sponsor or any unit owner who owns more than three dwelling units in the condominium as of January 5, 2003; and (2) the board of managers of the condominium must file a complete application, for the entire premises, with the Commissioner of Finance by February 15, 2003. The burden of proof is on the applicant to show that the requirements for granting an abatement have been met.

CAVEAT: In order for a residential unit owner to be eligible for this benefit for the 2003/2004 tax year, record title to the residential unit must be in the owner's name prior to January 5, 2003.

---

[1] Eligible dwelling units in a property whose average unit assessed value is less than or equal to $15,000 shall receive a partial abatement of the real property taxes to the extent of 25% of the net property taxes during tax year 2003/2004. The average assessed valuation per unit at the subject premises will exceed $15,000 per Unit.

[2] No premises which qualifies for J-51 **exemption** benefits may also receive benefits pursuant to RPTL §467-a. The property will not receive J-51 abatement and/or exemption benefits based on Sponsor's rehabilitation and renovation of the Building.

S-8. Lippman Krasnow Kelton LLP Opinion. The opinion of LK&K on the estimated assessed valuations of the Property, the projected allocation of such estimated valuations to the Residential and Storage Units and the Commercial Units and the estimated tax rates applicable to the Residential and Storage Units for the 2003/2004 and 2004/2005 fiscal tax years starts on the next page.

END OF TEXT ON THIS PAGE

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*ALSO MEMBER CALIFORNIA BAR
**ALSO MEMBER NEW JERSEY BAR

January 30, 2003

130 West 30th LLC
c/o H. Justin Realty Services
115 West 30th Street-Suite 203
New York, NY 10001

Re: 130 West 30th Street
Block: 805 Lot: 81
Borough: Manhattan

Dear Sirs:

Pursuant to your request we have reviewed the information you have furnished us regarding the conversion of the above-referenced property to a condominium.

You have advised us that the purpose of this analysis is to furnish you with a projection of the assessed valuation and an estimate of real estate taxes which would be applicable to the residential and storage units and commercial portion of the property upon completion of conversion.

In arriving at our estimate of real estate taxes, we have considered all facts influencing market value and thus the eventual assessed valuation. Included in these factors are location, neighborhood and economic trends. In addition, we have researched and analyzed the assessed valuations of similar residential rental buildings and condominium buildings in the borough of Manhattan.

Assessments in New York City are made on a fiscal year basis running from July 1st of any one year to the next succeeding June 30th. The status of the property on January 5th of any one year is the basis for the assessment for the fiscal year beginning July 1st of the same calendar year. The Real Property Tax Law in effect for New York City provides that when there is an increase in actual assessed valuation between one year and the next year, that increase will be phased in over a five year period. However, in the event of an increase due to new construction

or physical improvement, there is no phase in and the amount attributable to such construction or improvement is added in its entirety to the assessment in the succeeding tax year.

The current standard of assessment utilized by the property division of the New York City Department of Finance is to assess at 45% of fair market value. The relevant statutes which are set forth in the New York State Real Property Tax Law provides that the sale prices of residential units of a cooperative apartment building and the sale prices of condominium units are not the measure of value for assessment purposes. Therefore, the selling price of the individual condominium units will not be the standard of value for assessment purposes with respect to the subject property.

The projections made herein and to be contained in the condominium offering plan for the subject property are based upon information received and reviewed by us from the sponsor of the plan. We have been advised that the property originally consisted of eighteen stories from grade level containing retail and commercial office units and two levels of commercial equipment. We have been advised further that upon completion of construction and the conversion of one of the mechanical floors to residential use, the property will contain 45 residential units consisting of approximately 91,431 square feet (excluding terraces) four commercial units consisting of approximately 18,442 square feet of sub-cellar, cellar, ground floor and mezzanine space and 16 storage units above grade consisting of approximately 1,352 square feet.

The projected first year of the condominium's operation from is July 1, 2003 through June 30, 2004. As previously discussed, assessments in New York City are made on a fiscal year basis running from July 1st of any one year to the next succeeding June 30th. The projections made herein are based on the assessments for tax year 2003/04. Based upon the information provided and the presumptions made by us, we have projected the **pre-completion** real estate taxes for the entire premises for the projected first year of the condominium's operation from July 1, 2003 through June 30, 2004 to be $474,271.

This projection is based on our estimates of the real estate tax assessments and tax rates for the first year of the condominium's operation from July 1, 2003 through June 30, 2004. The projections for tax year 2003/04 do not reflect the any increase in value due to the planned construction and conversion to residential use. As previously discussed, the taxable status date for an upcoming tax year is January 5th of that year. We have been informed that construction shall not be completed prior to January 5, 2003 (the taxable status date for tax year 2003/04), so our projections do **not** reflect the increase in value attributable to the rehabilitation and renovation of the building with new residential and storage units. In addition, we have projected a commercial tax rate for tax year 2003/04 since we have been informed the conversion to residential use will not be completed prior to January 5, 2003. The projections for the entire premises **pre-completion of construction** are as follows:

Pre-Completion Assessments/Taxes	Tax Year 2003/04
Projected Actual Assessed Valuation:	$3,672,000
Projected Transitional Assessed Valuation:	$3,628,800
Projected Taxable Assessed Valuation:	$3,628,800
Projected Tax Rate[1]	11.580%
Projected Real Estate Taxes	$420,215

Please note that real estate taxes are based upon the lower of the actual assessed valuation and the transitional assessed valuation.

Based on the projected construction costs provided by you and assuming that the construction of the new residential and storage units are sufficiently completed to reflect their full assessed valuations as completed units on January 5, 2004, the taxable status date for tax year 2004/05, the post-completion taxable value for the entire premises (i.e., both the residential and commercial portions) for tax year 2004/05 is projected to be $5,922,000 and the taxes for the entire premises are projected to be $815,400 ($5,922,000 x 13.769%) calculated as follows:

Post-Completion Assessment/Taxes	Tax Year 2004/05
Projected Actual Assessed Valuation:	$5,922,000
Projected Transitional Assessed Valuation:	$5,965,200
Projected Taxable Assessed Valuation:	$5,922,000
Projected Tax Rate[2]	13.769%
Projected Real Estate Taxes	$815,400

[1]Per $100 of assessed valuation, expressed herein as a percentage.

[2]Per $100 of assessed valuation, expressed herein as a percentage.

The New York City Department of Finance shall apportion the assessed valuation to the residential and storage units and the commercial units of the building after the declaration establishing condominium ownership of the premises is recorded together with the floor plans of the units. The apportionment shall be in the proportion that the market value of each unit bears to the aggregate market value of all units, as determined by the tax assessor of the City of New York, who can and will take many factors into consideration in making his apportionment. Our projections are based upon our experience in real estate tax matters. We have utilized estimates of possible rental values to calculate the market values for the residential and commercial portions of the property. Based on the foregoing, our projection of such apportionments is as follows:

Residential and Storage Units:	85.401%
Commercial Units:	14.599%

Based upon the projected apportionment, the projected real estate taxes for the residential and storage portion of the subject premises for tax year 2004/05, which is projected to be the first tax year reflecting the completed construction, are $696,360 ($5,922,000 x 85.401% = $5,057,447 x 13.769%).

The foregoing projection does not take into consideration two (2) potential partial tax abatement and exemption benefits currently available to qualified unit owners who meet the eligibility requirements of sections 425 and 467-a of the Real Property Tax Law of the State of New York ("RPTL").

RPTL section 467-a provides a partial tax abatement to owners of residential units held in a cooperative or condominium form of ownership. Eligible dwelling units with an average assessed valuation of greater than $15,000[3], after deduction of any abatement received pursuant to RPTL 489 ("J-51" benefits),[4] are entitled to a 17.5% abatement of the net property taxes due. In order to qualify for these benefits under the current law, the following requirements must be

[3] Eligible dwelling units in a property whose average unit assessed value is less than or equal to $15,000 shall receive a partial abatement of real property taxes of 25% of the net property taxes. It is projected that the average post-construction assessed valuation per unit at the subject premises will exceed $15,000 per unit.

[4] A property receiving J-51 exemption benefits may not receive benefits under RPTL 467-a. We have been advised that the Sponsor shall not be applying for any such benefits.

met: (1) eligible units must be used primarily for residential purposes and may not be owned by sponsor or any unit owner who owns three or more units; and (2) the Board of Managers must file a complete application for the entire premises in a timely manner. **The foregoing is only for informational purposes since this statute contains a "sunset provision" which presently provides benefits through June 30, 2004. On such date, the statute and benefits expire, unless otherwise extended.** No representation is made that the statute will be extended or if it is extended, the benefits will remain the same. **Prospective purchasers of residential units should not rely upon the continuation of the benefits, which now are set to expire before they become eligible to receive them.**

RPTL section 425 (school tax relief (STAR) exemption) provides a partial exemption from the school tax portion of a property's assessed valuation. This exemption presently amounts to $1,710 for an eligible condominium unit located within the City of New York, assuming the unit owner is less than 65 years of age. An enhanced benefit, presently amounting to $2,850, is available to senior citizens who have a combined household income (adjusted gross income as reported on applicant's latest available federal or state income tax return) which does not exceed $60,000. The benefit is only available to units which serve as the primary residence of one or more of the owners thereof. A qualified unit owner must file an application on or before the applicable tax status date.(i.e, the January 5th preceding the fiscal tax year beginning July 1st). Only those qualified purchasers who close title and timely file said application by no later than January 5, 2004 will be eligible for this benefit for the tax year beginning July 1, 2004. Those purchasers who qualify for this benefit who apply after January 5, 2004 and on or before January 5, 2005 will be eligible to receive this benefit for the July 1, 2005 to June 30, 2006 tax year.

We believe that the above projections and estimates reflect the current assessment policies of the City of New York. However, it is possible that the tax assessor may determine and allocate the assessment on a basis that differs from the assessments and allocations contained herein. The assessor may use rents substantially greater than the estimated rents we used in arriving at an assessed value or may ascribe a different value to the construction costs. In addition, the assessor may use different expenses and or different capitalization rates resulting in a higher assessed value and substantially higher real estate taxes.

We have used the income capitalization method (i.e., projected net rental value after deducting projected ordinary operating expenses) as well as factoring in the construction costs to arrive at our projections of real estate taxes. The assessor may use these methods, as well as other methods in arriving at an assessed value. We make no warranty that the New York City Department of Finance will accept any or all of the views stated above. Moreover, the New York City Tax Laws, regulations and policies, written or otherwise, may change and thereby affect, in whole or in part, the views stated above. We take no obligation to update, modify or supplement this opinion in the event of any such change in applicable law, regulations, policies or interpretations thereof.

We consent to the use of the foregoing projections in, and the incorporation of this opinion as an exhibit to, the condominium offering plan for the subject premises.

Very truly yours,

LIPPMAN KRASNOW & KELTON LLP

MRL:gc

END OF SECTION S

SECTION T. OPINIONS OF COUNSEL

T-1. Opinion on Tax Deductions to Unit Owners. In the opinion of Mandel Resnik Kaiser Moskowitz & Greenstein P.C. ("**MRKM&G**"), Sponsor's attorney, individual Residential Unit Owners who itemize deductions and are residents of the State of New York will be entitled to deduct from federal, New York State and New York City income taxes: (a) the real estate taxes assessed against his or her Residential Unit; and (b) interest paid on loans secured by the Residential Units of up to $1,000,000 (in the case of a loan obtained to finance the purchase or to improve the Residential Unit) or up to $100,000 (for a home equity loan), provided he or she occupies the Residential Unit as a qualified residence (that is, a principal residence or other residence personally used by him or her for a specified period each year).

These income tax deductions are subject to various limitations and qualifications which are explained more fully in the tax opinion. The opinion does not address the tax consequences of owning a Residential Unit in a trade or business, or for investment or production of income, or ownership of a Residential Unit by a foreign person. See subsection T-6 below for the text of the opinion.

T-2. Tax Status of Condominium. MRKM&G also advised in said opinion letter that if the Condominium Board qualifies as a "homeowners association" under Section 528 of the Internal Revenue Code ("**Code**"), which appears not to be the case (see below), the Condominium may elect to be treated as a tax exempt organization and exclude from its taxable income the Common Charges payable by Residential Unit Owners. To qualify as a homeowners association, certain requirements of the Code and the Treasury Regulations must be met. These include a requirement that at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. Units used for purposes that are auxiliary to residential use (such as laundry areas and storage units) will be considered used for residential purposes under the applicable Treasury Regulations. The square footage of the Residential Units are slightly less than said 85% minimum. Accordingly, it appears that the Condominium Board will not qualify as a homeowners association, rendering its income tax reporting status uncertain (see MRKM&G opinion in subsection T-6 below for full discussion).

Income derived from Common Charges received from the Commercial Units and interest or investment income will be taxable. MRKM&G has not rendered an opinion on the tax treatment of contributions to the Working Capital Fund, nor on the income tax status of the Condominium Board, which is uncertain. See the tax opinion in subsection T-6 below for full discussion.

T-3. Caveat. A prospective Purchaser is advised to read the tax opinion, preferably with the assistance of his or her attorney, accountant or tax adviser, for a complete understanding of the tax consequences of owning a Residential Unit under this Plan.

T-4. Disclaimer. THE TAX OPINION OF MRKM&G SET FORTH BELOW IS BASED ON EXISTING LAW, REGULATIONS AND RULINGS APPLIED TO THE FACTS AND DOCUMENTS REFERRED TO IN THE OPINION, BUT IS NOT A REPRESENTATION, ASSURANCE OR GUARANTEE BY MRKM&G THAT RESIDENTIAL UNIT OWNERS WILL BE ENTITLED TO THE INCOME TAX DEDUCTIONS OR OTHER TAX BENEFITS REFERRED TO IN THE TAX OPINION. NO ASSURANCE CAN BE GIVEN THAT THE TAX LAWS OR THE REGULATIONS OR RULINGS ISSUED THEREUNDER, OR ANY JUDICIAL INTERPRETATION THEREOF, UPON WHICH MRKM&G BASES ITS OPINION WILL NOT CHANGE. IN NO EVENT WILL THE SPONSOR, MRKM&G, THE SELLING AGENT OR ANY OTHER PERSON BE LIABLE IF THERE ARE CHANGES IN THE FACTS ON WHICH COUNSEL RELIED IN ISSUING ITS OPINION, OR IF THERE ARE CHANGES IN THE APPLICABLE STATUTES, REGULATIONS, RULINGS OR

DECISIONAL LAW ON WHICH COUNSEL RELIED WHICH CAUSE THE CONDOMINIUM TO CEASE MEETING THE REQUIREMENTS OF CODE SECTION 528, AS AMENDED, OR NEW YORK STATE OR CITY TAX LAW, AS AMENDED, AND UNIT OWNERS NOT TO BE ENTITLED TO INCOME TAX DEDUCTIONS (OR WHICH CAUSE UNIT OWNERS NOT TO BE OR TO CEASE TO BE ENTITLED TO SAID INCOME TAX DEDUCTIONS).

MOREOVER, THE SPONSOR, MRKM&G AND THE SELLING AGENT CANNOT, AND DO NOT, MAKE ANY REPRESENTATION, ASSURANCE OR GUARANTEE WITH RESPECT TO: THE TAX STATUS OF THE CONDOMINIUM; THE TAX TREATMENT OF THE COMMON CHARGES, THE WORKING CAPITAL FUND CONTRIBUTIONS OR OTHER RECEIPTS OF THE CONDOMINIUM; THE TAX CONSEQUENCES OF THIS PLAN; OR THE TAX CONSEQUENCES OF OWNERSHIP OF ANY RESIDENTIAL UNITS OFFERED UNDER THE PLAN. NO ONE HAS BEEN AUTHORIZED TO MAKE ANY STATEMENTS OTHER THAN THOSE CONTAINED HEREIN.

T-5. RPL Section 339-i Opinion. The opinion of MRKM&G as to assigning the percentage of Common Interest to each Unit in compliance with RPL Section 339-i is set forth in subsection T-7 below.

END OF TEXT ON THIS PAGE

T-6. Opinion on Income Tax Deductions to Residential Unit Owners and Tax Status of the Condominium

MANDEL RESNIK KAISER MOSKOWITZ & GREENSTEIN P.C.

220 East 42nd Street, New York, New York 10017
(212) 573-0000

May 5, 2003

130 WEST 30TH, LLC
115 West 30th Street, Suite 203
New York, New York 10001

Re: 130 WEST 30TH STREET CONDOMINIUM
130 West 30th Street, New York, New York 10001

Gentlemen:

You have requested our opinions concerning:

(a) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by individual New York State residents who purchase residential units ("**Residential Units**") at 130 WEST 30TH STREET CONDOMINIUM ("**Condominium**") pursuant to a Condominium Offering Plan (the "**Plan**") relating to the same; and

(b) the income tax treatment to the Condominium Board[1] of the assessments ("**Common Charges**") payable by the Unit Owners to meet the Common Expenses of the Condominium.

The Plan provides for the establishment of condominium ownership of the land and building, as well as the appurtenances thereto, known as 130 West 30th Street, New York, New York 10001 (such land, building and appurtenances are collectively called the "**Property**"). The Condominium will be comprised of the Residential Units, Storage Units, four (4) commercial units ("**Commercial Units**"), consisting of two (2) retail stores and two (2) commercial storage rooms, and commonly owned areas, equipment and facilities (collectively, the "**Common Elements**"). Except where otherwise indicated, the terms defined in the Plan that are used in this opinion letter without express definition will have the same meanings given to them in the Plan.

In connection with rendering this opinion letter, we have reviewed only the Plan (including the Documents in Part II thereof), relevant sections of the Internal Revenue Code of 1986, as amended (the "**Code**"), the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other material as we have deemed relevant. The opinions expressed herein are based upon the assumptions that:

(a) the Plan becomes effective and is consummated in accordance with its terms;

(b) condominium ownership of the Property, including the Residential Units, is established in compliance with all applicable laws;

---

[1] For purposes of this opinion, the term "Condominium Board" shall include the association of Unit Owners for whom the Condominium Board acts.

(c) the legal consequences of the Plan are as described therein; and

(d) the statements and information contained in the Plan and your statements as to certain matters referred to herein are true, accurate and complete in all respects.

We have not investigated or verified the truth, accuracy or completeness of such statements and information or the calculation of the square footages of the Residential and Commercial Units (which is germane to the discussion in Part II below of the income tax status of the Condominium Board and its qualification as a "homeowners association").

This opinion letter addresses only the tax consequences that would result from the ownership of a Residential Unit for personal use as a "qualified residence" (defined below) by an individual taxpayer who is a New York State resident. We do not address the tax consequences of the ownership of: (a) a Commercial or Storage Unit by any person or entity; or (b) the Residential Units by corporations or other entities, or by individuals who are not New York State residents or who do not use their Residential Units as a "qualified residence".

A "**qualified residence**" generally means: (a) the Residential Unit Owner's "principal residence", and (b) one (1) other residence selected by the Residential Unit Owner for the taxable year and, if such residence is rented at any time during the taxable year, such other residence must be used for the Residential Unit Owner's "personal purposes" for a number of days which exceeds the greater of fourteen (14) days or ten percent (10%) of the number of days which such residence is rented at fair rental. (See Code Section 280A.)

I. Deductibility of Real Estate Taxes and Mortgage Interest

A. Federal Tax Code

The Internal Revenue Service has ruled that an individual owner of a residential condominium unit who itemizes deductions on the individual's Federal income tax returns and uses the unit as a qualified residence may deduct the real estate taxes assessed and paid on such unit and interest paid on the individual owner's mortgage indebtedness incurred to acquire, construct or substantially improve such unit. Rev. Rule. 64-31, 1964-1 (Part I) C.B. 300.

B. Real Estate Taxes

In accordance with the Plan and the Condominium Declaration and By-Laws, each Residential Unit and its undivided interest in the Common Elements will be owned in fee simple. Under New York law, each Residential Unit (including its undivided percentage interest in the Common Elements) will be taxed as a separate parcel for real estate tax purposes and will be separately assessed and billed for real estate taxes by the local tax authority.

Based on the foregoing, it is our opinion that each individual taxpayer who itemizes deductions will be entitled, under current law, to deduct from such individual's gross income, for Federal, New York State and New York City income tax purposes, the real estate taxes assessed against the individual's Residential Unit and paid by the individual to the local tax authority. However, such deduction will be subject to the overall limitation on itemized deductions set forth in Section 68 of the Code, and no deduction for real estate taxes is permissible for purposes of the Federal alternative minimum tax. Prospective Purchasers of Residential Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes, and regarding the effect of the alternative minimum tax.

Under the Plan and the Condominium Declaration and By-Laws, until such time as each Residential Unit is separately assessed and billed for New York City real estate taxes, such real estate taxes will be paid by the Condominium Board and collected from all Owners by allocating the Property's real estate taxes to the Residential and Storage Units and the Commercial Units based on an expert's opinion of their estimated values relative to each other (in the case of apportionment between all Residential and Storage Units and the Commercial Units), as explained more fully in the Plan. The real estate taxes for all Residential Units will then be further apportioned among the Residential Units in the proportion that each Residential Unit's initial offering price in the Offering Price Schedule (SCHEDULE A of the Plan) bears to the total initial offering prices of all Residential Units in said SCHEDULE A.

If the Condominium Board is deemed merely to be acting as a collection agent for the Owners during the period prior to separate assessment and billing of real estate taxes, the individual Owners should be able to deduct the real estate taxes paid by them during this period, although we express no opinion on this point. (Cf. Hradeskv v. Commissioner, 65 T.C. 87 (1975), aff'd per curiam 540 F.2d 821 (5th Cir. 1976); Rev. Rule. 78-103, 1978-1 C.B. 58.) Moreover, a portion of a particular Owner's claimed deduction might be disallowed to the extent that the taxes ultimately assessed against the Owner's Unit are less than the amount the individual paid. (Cf. Cramer v. Commissioner, 55 T.C. 1125 (1971), Acq. 1971 -2 C.B.2; Treasury Regulation Section 1.164-1(a)). In the event that the taxes ultimately assessed against the Owner's Unit differs from real estate taxes apportioned to such Unit before taxes are separately assessed and billed to the Units, then the amount paid previously on account of real estate taxes will be reapportioned, which in turn may require an adjustment to the Owner's tax return.

C. Mortgage Interest

An individual taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid during the taxable year on "acquisition indebtedness" or "home equity indebtedness" with respect to a qualified residence of the taxpayer. "**Acquisition indebtedness**" means any indebtedness, secured by a qualified residence of the taxpayer, that is incurred in acquiring, constructing or substantially improving the qualified residence (or that constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt). The aggregate amount treated as acquisition indebtedness for any period cannot exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return). "**Home equity indebtedness**" means any indebtedness (other than acquisition indebtedness) secured by a qualified residence, up to the excess of the fair market value of such qualified residence over the amount of acquisition indebtedness with respect to such residence. The aggregate amount treated as home equity indebtedness for any period cannot exceed $100,000 ($50,000 in the case of a married individual filing a separate return).

Under the Plan and Condominium Declaration and By-Laws, each Owner may mortgage the Owner's Residential Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness. Accordingly, an individual Owner of a Residential Unit who itemizes deductions and uses such Unit as a qualified residence will be entitled, under current law, to deduct from the individual's gross income, for Federal income tax purposes, interest paid by such Owner on:

(a) acquisition indebtedness incurred with respect to such Unit, to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return); and

(b) home equity indebtedness with respect to such Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return).

However, such deductions will be subject to the overall limitation on itemized deductions set forth in Section 68 of the Code. Since the rules and limitations regarding the deductibility of home mortgage interest are complex, individual prospective Purchasers are urged to consult their tax advisers regarding the application of such rules to them, as well as regarding the deductibility of mortgage interest with respect to their Units for alternative minimum tax purposes (which, at present, is subject to rules different from those described above). In addition, individual prospective Purchasers of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

D. State and City Income Tax Laws

Each individual Owner of a Residential Unit who uses such Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid with respect to such Unit for New York State and New York City income tax purposes as is allowed for ordinary Federal income tax purposes. However, although the overall limitation set forth in Section 68 of the Code does not apply under New York State and New York City income tax laws, itemized deductions, such as mortgage interest and real estate tax deductions, are subject to reduction by as much as fifty percent (50%) with respect to individuals having income exceeding certain prescribed levels. Furthermore, individual prospective Purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum tax to the deductions for mortgage interest and real estate taxes with respect to their ownership of Residential Units.

II. Income Tax Status of the Condominium Board

Under the Plan, the Condominium Board will, from time to time, assess Common Charges against the Unit Owners in order to pay the costs and expenses of operating, repairing and maintaining the Common Elements. The Common Charges will be assessed in proportion to their respective percentage interests in the Common Elements or in proportion to the amount fairly attributable to them based on their Usage of the Common Elements or services provided specially to them.

If the Condominium Board qualifies as a "homeowners association" for the purpose of Section 528 of the Code, the Condominium Board could elect to be treated as a tax exempt organization and exclude from its taxable income the Common Charges payable by the Residential Unit Owners. In the event that the Condominium Board qualifies to make this election and the election is made, the Condominium Board will not be taxed on "exempt function income" (defined below), but will be taxed on all other income. Counsel typically recommends that, if a homeowners association qualifies to make this election, the election be made. However, as discussed below, it appears that the Condominium Board will not qualify as a "homeowners association".

Section 528(d)(3) of the Code provides that the term "**exempt function income**" means any amount received as membership dues, fees or assessments from owners of condominium housing units in the case of a condominium management association. Treasury Regulation Section 1.528-9(a) provides that, for purposes of Section 528 of the Code, "exempt function income" consists solely of income that is attributable to membership dues, fees or assessments of owners of residential units in their capacity as owner-members, rather than in some other capacity (such as customers for service). Furthermore, income attributable to dues, fees or assessments will not be

considered "exempt function income" unless each member's liability for payment arises solely from membership in the association.

Section 528(c)(1) of the Code generally provides that the term "homeowners association" means an organization, including an organization that qualifies as a "condominium management association", if:

(a) such organization is organized and operated to provide for the acquisition, construction, management, maintenance and care of association property;

(b) sixty percent (60%) or more of the gross income of such organization for the taxable year consists solely of amounts received as membership dues, fees, or assessments from: (b-1) owners of residential units in the case of a condominium management association; (b-2) owners of residences or residential lots in the case of a residential real estate management association; or (b-3) owners of timeshare rights to use, or timeshare ownership interests in, association property in the case of a timeshare association;

(c) ninety (90%) percent or more of the expenditures of the organization for the taxable year are expenditures for the acquisition, construction, management, maintenance and care of association property, and, in the case of a timeshare association, for activities provided to, or for the benefit of, members of the association;

(d) no part of the net earnings of such organization inures (other than by acquiring, constructing, or providing management, maintenance and care of association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any private shareholder or individual; and

(e) such organization properly elects to have Section 528 apply for the taxable year.

Section 528(c)(2) of the Code provides that the term "condominium management association" means any organization meeting the requirements of clause (a) above with respect to a condominium project if "substantially all of the units in the same are used by individuals for residences". Treasury Regulation Section 1.528-4(b) provides that "substantially all of the units of the condominium project" will be considered to be used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all of the units within the project are used by individuals for residential purposes. Units which are used for purposes auxiliary to residential use (such as laundry areas, swimming pools, tennis courts, storage units and areas used by maintenance personnel) will be considered used for residential purposes pursuant to Treasury Regulation Section 1.528-4(b). Section 1.528-4(d) provides that a unit will not be considered used for residential purposes if, for more than one-half of the days in the association's taxable year, such unit is occupied by a person or a series of persons each of whom occupies such unit, or building, for less than thirty (30) days.

You have stated to us that the square footage of the Residential Units will be less than 85% of the total square footage of all Units in the Condominium. It would therefore appear that the Condominium Board would not meet the requirements of the 85% test described above.

If, as appears to be the case, the Condominium Board fails to qualify as a "homeowners association" for the purpose of Section 528 of the Code, or if it so qualifies but fails to properly elect to receive the benefits of such status, it is impossible to predict its income tax reporting status. It is possible that the Condominium Board could be viewed as an agent or a conduit for the Unit Owners, in which case each Unit Owner would be required to report, for Federal, New York

State and New York City income tax purposes, the Owner's proportionate share of the Board's income in excess of any offsetting deductions and credits. Alternatively, the Condominium Board may be viewed as an independent entity, rather than a mere conduit, in which case the Board may be entitled to elect its tax status. In such case, it is impossible to predict the income tax reporting status that will be selected by the Condominium Board and, thus, the tax treatment of its income in excess of any offsetting deductions and credits. If the Condominium Board elects, or is otherwise determined, to be treated as if it were a corporation for Federal income tax purposes, it would be subject to tax on its taxable income. In determining its taxable income, it is not clear whether assessments paid by Unit Owners would be taxable income or non-taxable contributions to capital and whether the Condominium Board's deductions attributable to furnishing services to Unit Owners may be limited to amounts received from such Owners. Certain earnings and profits expended for the benefit of Unit Owners, and possibly rebates (if any) to Unit Owners of excess membership dues, fees or assessments, may be treated as dividends to them. In addition, the Condominium Board would be subject to New York State and New York City income taxes. Conversely, if the Condominium Board elects to be treated as if it were a partnership for Federal income tax purposes, each Unit Owner would be required to report the Owner's proportionate share of the Condominium Board's income (and of any offsetting deductions and credits) directly on the Owner's tax return.

III. General

We do not render any opinion with respect to any matter other than as specifically set forth in this opinion letter. We express no opinion concerning:

(a) any Federal, New York State or New York City income tax consequences not explicitly discussed in this opinion letter, including, without limitation, the New York City earnings tax on non-residents;

(b) any aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion letter; or

(c) the tax status and consequences under the Plan with respect to the laws of any other local or foreign jurisdiction.

Further, except as explicitly provided, this opinion letter does not address:

(a) the tax consequences that may result with respect to any Residential Unit held in connection with a trade or business, or any Unit held for purposes of investment or for the production of income;

(b) the tax consequences that may result to a Residential Unit Owner who is not a New York State resident by reason of Owner's status as such or who does not use such Unit as a qualified residence; or

(c) the tax consequences that may result from the purchase of a Commercial Unit.

This opinion letter also does not discuss the tax consequences that may arise if Units or Common Elements are acquired and/or leased by the Condominium Board, or the issue of whether a Residential Unit Owner may be deemed to be a resident of the United States, New York State, or New York City as a result of the ownership of a Residential Unit and the attendant income, estate or other tax consequences, or the issue of the tax consequences of the contributions to the Condominium's Working Capital Fund. We advise, therefore, that each individual contemplating

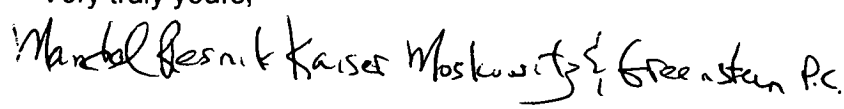
the purchase of a Unit consult with the individual's tax adviser concerning all such tax matters, as well as with respect to the matters discussed in this opinion letter.

This opinion letter is not a guarantee and is not binding upon the Internal Revenue Service, the New York State Department of Taxation and Finance and/or the New York City Department of Finance. Rather, it is based solely upon our opinion of the application of the relevant legal authorities (including the applicable Federal, New York State and New York City tax laws and regulations, as well as the rulings and decisions thereunder) existing as of the date hereof to the facts and documents referred to above.

Such facts, documents and/or legal authorities may change, and thereby affect the opinions stated above in whole or in part. We undertake no obligation to update, modify or supplement this opinion letter to reflect any fact or document that may hereafter come to our attention, or to reflect any change in any applicable legal authority that may hereafter occur, although we have advised Sponsor that it is obligated to cause a revised opinion letter to be rendered, and published in an amendment to the Plan, under such circumstances. Moreover, in no event will the undersigned, Sponsor, the Condominium Board, the Selling Agent (if any), the Managing Agent, or any other person or entity be liable if, at any time, it is held that, due to any such change in facts, documents and/or legal authorities, the individual Residential Unit Owners are not entitled to the income tax deductions described above and/or the tax treatment of the income of the Condominium Board is not as set forth above.

This opinion is based upon and limited to the knowledge of factual matters of only those attorneys in our office who have actually worked on the legal matters referenced herein, without investigation, and in reliance upon information and documentation supplied by you and delivered to us. We are furnishing this letter to you solely for your benefit. This letter may not be relied on by any other person and is not to be used, circulated, quoted or otherwise referred to for any other purpose (other than inclusion in the Plan and to the references to our name in the Plan in connection therewith) without our prior written consent.

Very truly yours,



Mandel Resnik Kaiser Moskowitz & Greenstein P.C.

T-7. Opinion Regarding Compliance with Real Property Law Section 339-i

MANDEL RESNIK KAISER MOSKOWITZ & GREENSTEIN P.C.

220 East 42nd Street, New York, New York 10017
(212) 573-0000

May 5, 2003

130 WEST 30TH, LLC
115 West 30th Street, Suite 203
New York, New York 10001

Re: Compliance with Real Property Law Section 339-i

Gentlemen:

All capitalized terms defined in the Condominium Offering Plan ("**Plan**") for 130 WEST 30TH STREET CONDOMINIUM, located at 130 West 30th Street, New York, New York, that are used herein without express definition will have the same meanings given to them in the Plan.

You have requested our opinion on whether the method used to determine the undivided percentage interest of each Unit in the Common Elements in the above referenced matter complies with Real Property Law Section 339-i ("**Section 339-i**"). In connection with this opinion, we have reviewed the Plan and assumed the statements and information contained therein are correct and accurate.

The Plan states that the Common Interest of each Unit 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, as provided in Section 339-i(1)(iv) of the Condominium Act.

Included in the Plan is an opinion of Platinum Properties Of New York Ltd. ("**Platinum**"), an experienced real estate brokerage and residential management firm. Platinum states that in its opinion the Common Interest of each Unit set forth in the Plan appears to be based on both factors of relative value to other Units in the Condominium (such as floor space, location in the Building, uniqueness and overall size), as well as the availability of the Common Elements for exclusive use (such as the Residential Limited Common Elements, which are limited or restricted completely or primarily to the use in common of the Residential and Storage Units to the exclusion or substantial exclusion of the Commercial Units) or for shared use (such as the General Common Elements, which are for the use in common of all Units).

The opinion of Platinum correctly recites Section 339-i(1)(iv) and appears to be based on the method stated in Section 339-i(1)(iv) for determining Common Interests. However, we have not reviewed or verified any calculations of floor space and do not express any opinion as to the relative value of a Unit to other Units; the uniqueness of a Unit; the availability of Common Elements for exclusive or shared use; the overall dimensions of a particular Unit; the weight to be given to each factor in determining the Common Interest of a Unit; or the accuracy of the opinion given by Platinum.

This opinion is confined to the matters addressed herein with respect to Section 339(i) and is not intended, nor should be construed, as an opinion on other aspects of the Plan, such as the valid

creation of a condominium, which is to be determined by a title insurance company. Further, this opinion is based upon our review of applicable statutory law and judicial precedent, if any, existing as of the date hereof, and we express no opinion as to the effect of any law that is hereafter enacted or any court case that is hereafter decided. We assume no obligation to update or supplement this opinion to reflect any changes in statutory law or judicial precedent, or any changes in fact or circumstances, that may hereafter come to our attention pertaining to the subject matter hereof.

We are furnishing this letter to you solely for your benefit. This letter may not be relied on by any other person and is not to be used, circulated, quoted or otherwise referred to for any other purpose (other than inclusion in the Plan and to the references to our name in the Plan in connection therewith) without our prior written consent. We are members of the Bar of the State of New York and this opinion is limited to matters of New York State law.

Very truly yours,

Mandel Resnik Kaiser Moskowitz & Greenstein P.C.

MANDEL RESNIK KAISER MOSKOWITZ & GREENSTEIN P.C.

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SECTION U. RESERVE FUND

U-1. No Reserve Fund. The Building is being substantially rehabilitated and renovated with new Building Systems, although certain Building conditions will not be corrected by Sponsor (see "Section A. Special Risks", subsection "A-30 Building Conditions" above). No reserve fund is being established under this Plan, nor is a reserve fund required by any Law.

U-2. Budget Reserves for Contingencies and Capital Items. Under the Declaration, a Budget adopted by the Condominium Board may include a reserve for Repairs, Alterations, unanticipated expenses and contingencies, but all such reserve amounts may not exceed, in the aggregate, five percent (5%) of the projected annual General Common Expenses or Residential Common Expenses for the then current Budget Year without obtaining the prior written Discretionary Approval or Consent of Sponsor (during only the Sponsor Veto Control Period) (see Section 9.7 of the Declaration and subsection P-2.1 above). In addition, no Budget may include a Contingency Reserve which, when added to all amounts not spent in a Contingency Reserve for one (1) or more prior Budgets, shall exceed five percent (5%) of the projected General Common Expenses in such Budget without obtaining the prior written Discretionary Approvals or Consents of the Commercial Unit Owners (see Section H, subsection H-7.2 for full discussion).

U-3. Sources to Finance Capital Items. The potential means and options available to the Condominium Board to finance the correction of the Building conditions summarized in said subsection A-30 above or any other needed or desired capital expenditures, such as renewal or replacement of Building components or Systems or to remedy major Building defects, will be:

(a) any reserves established by the Condominium Board for such purpose [NOTE: no reserves are provided in the First Year's Budget];

(b) a loan from a bank or other lender, subject to obtaining Sponsor's prior written Discretionary Approval or Consent during only the Sponsor Veto Control Period; and

(c) a Special Assessment levied on all applicable Unit Owners.

The ability of the Condominium Board to borrow monies on a secured or unsecured basis will depend upon a number of factors, including then existing economic conditions, the policies of the proposed lender (including an "Owner-occupancy" quota that may be required), the creditworthiness of the Condominium Association and the physical condition of the Property. Neither Sponsor or Selling Agent represents, assures or guarantees that the Condominium Board will be able to obtain a secured or unsecured loan at any time.

To the extent all other sources mentioned above in clauses (a) and (b) are insufficient or unavailable to pay for a needed or desired capital item, the Condominium Board will be required to increase the Common Charges or levy a Special Assessment on the applicable Unit Owners. If a Unit Owner wishes to obtain a loan to pay a Special Assessment, such Owner's ability to arrange a loan will depend on the requirements of the lender, including the lender being satisfied with, among other things: (a) said Owner's income and credit; (b) the appraised value of his or her Unit; (c) the number of Residential Units that are occupied by their Owners; and (d) the physical condition of the Building.

END OF SECTION U

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SECTION V. WORKING CAPITAL FUND

V-1. Amount of Working Capital Fund. The Condominium Association is to be provided with a fund for operating and working capital ("**Working Capital Fund**"). The Working Capital Fund is ultimately to be in the projected "**Total Amount**" of approximately $78,328 which equals two (2) months' projected Residential Common Charges of all Residential and Storage Units as set forth in the Offering Price Schedule (SCHEDULE A in Section E). If the Plan is amended prior to the First Closing to increase or decrease the projected Common Charges of Residential and Storage Units, the Total Amount of the Working Capital Fund will correspondingly increase or decrease.

V-2. Funding of Total Amount of Working Capital Fund. At Closing of Title, each Purchaser of a Residential or Storage Unit is to make a payment to the Condominium's Working Capital Fund ("**Working Capital Payment**") in an amount equal to two (2) months' projected Common Charges of the Unit being purchased, as shown in the Offering Price Schedule (SCHEDULE A in Section E), as such projection may change prior to the First Closing of a Residential Unit in an Amendment to this Plan. At the First Closing of a Residential Unit, Sponsor will make a reimbursable *advance* payment to the Condominium's Working Capital Fund of $40,000 ("**Initial Working Capital Fund**"). Sponsor is to be fully reimbursed for such advance of the Initial Working Capital Fund from the first Working Capital Payments received from bona fide Purchasers of Residential and Storage Units. The Working Capital Payment from each Purchaser will be made directly to the order of Sponsor at Title Closing until Sponsor is fully reimbursed for payment of the Initial Working Capital Fund. Thereafter, all subsequent Working Capital Payments from Purchasers will be made payable directly to the Condominium Board or Managing Agent, as directed, and given to Sponsor at Title Closing for forwarding to the Managing Agent.

Accordingly, the Total Amount of the Working Capital Fund will be fully funded only when and if title to all Residential and Storage Units are conveyed to bona fide Purchasers under this Plan. Sponsor and Selling Agent cannot, and do not, represent, assure or guarantee when or whether the Total Amount will be paid into the Working Capital Fund, which will depend entirely on the time taken to sell and convey all Residential and Storage Units under this Plan.

The Working Capital Payment is to be made only a bona fide Purchaser under this Plan, but not by anyone to whom Purchaser resells or conveys the Unit, or who succeeds to Purchaser's interest in the Unit after closing of title. If a Purchaser purchases both a Residential and Storage Unit, or more than one Residential Unit or Storage Unit, he or she will make a Working Capital Payment equal to two (2) months' projected Common Charges for each such Unit.

A Purchaser designated by Sponsor in writing or an Amendment as an Unsold Residential Unit Owner is not, for this purpose, regarded as a bona fide Purchaser and will not make a Working Capital Payment. However, a bona fide Purchaser for investment or resale (that is, a Purchaser who is not designated by Sponsor as an Unsold Residential Unit Owner) will be required to make the Working Capital Payment. If the Plan is amended to offer a Commercial Unit for sale, the Purchaser of such Commercial Unit will not make a Working Capital Payment.

V-3. Use of Working Capital Fund. The initial Working Capital Fund will be used as follows:

(a) to pay the net amount (if any) owed Sponsor for that portion of the Building expenses to be apportioned at the First Closing which are fairly and properly attributable to the Residential and Storage Units, but in no event will more than $20,000 be applied from the Working Capital Fund for such purpose (see Section N, subsection N-1.4 for full discussion, including terms of payment of net closing apportionments in excess of $20,000, if in favor of Sponsor); and

(b) the balance will be used for all appropriate purposes for the benefit of only the Residential and Storage Unit Owners as will be determined by the Residential Board Members (including the Sponsor Board Members) on behalf of the Condominium Board.

The Working Capital Fund may also be used for operating or working capital and to defray increases in the Common Charges, but may not be used to reduce the projected Common Charges in the First Year's Budget (SCHEDULE B in Section F above) while the Sponsor Board Members constitute a majority of the Residential Board Members. The Condominium Board will usually require operating or working capital to overcome normal cash shortages in operations. The cash shortages may occur from unevenness in the collection of Common Charges or in the payment of budgeted expenses (such as higher heating costs during the fall and winter months), or both. The Working Capital Fund may also be used to make needed Repairs and/or Alterations, from time-to-time.

Sponsor will control the permitted expenditures from the Working Capital Fund while the number of Sponsor Board Members constitute a majority of the Residential Board Members. As a result, all or part of the Working Capital Fund may be spent during the period Sponsor has voting control over the Residential Board Members.

V-4. Sources to Finance Capital Items: For potential means and options available to the Condominium Board to finance any needed or desired capital expenditures, such as renewal or replacement of Building components or Systems or to remedy major Building defects, see Section U, subsection U-3 above.

V-5. Adequacy of Working Capital Fund: The amount of the Working Capital Fund is based strictly upon the amount of the projected Common Charges of the Residential and Storage Units in the First Year's Budget (SCHEDULE B), as such projection may be revised prior to the First Closing of a Residential Unit (see subsection V-1 above for details). Accordingly, the Working Capital Fund is not intended, and should not be relied upon, as being adequate to make potential future needed or desired Repairs or Alterations.

Sponsor and Selling Agent cannot, and do not, represent, assure or guarantee that the Initial Working Capital Fund and any supplemental Working Capital Payments from Purchasers will be adequate for operating or working capital purposes at any time. If additional monies are required for operating or working capital, the Board may increase the Common Charges (including levying a Special Assessment on the applicable Unit Owners).

Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

END OF SECTION V

SECTION W. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

W-1. Management Agreement. The important terms of the proposed Management Agreement are summarized below.

W-1.1. The Managing Agent. At or prior to the First Closing of a Residential Unit, the Condominium Board will enter into a management agreement with H. Justin Realty Services, LLC ("**Managing Agent**" or "**Agent**"), having an office at 115 West 30th Street, Suite 203, New York, New York 10001. The Managing Agent is owned and controlled by a principal of Sponsor. In view of this relationship, Sponsor will have influence over a number of services to be performed by the Managing Agent during Condominium Operation. As a result, to the extent any conflict exists or arises between the interests of Sponsor and the Condominium Board, a similar potential conflict exists or may arise for the Managing Agent.

W-1.2. Term of Management Agreement. The management agreement will be for an initial term of three (3) years from the First Closing of a Residential Unit. At the end of the initial term, the management agreement will be extended automatically from year to year unless the Condominium Board (with the prior approval of a majority in number and Common Interest of Unit Owners) or Agent elect not to extend the term by giving written notice of its election not to extend the term at least ninety (90) days prior to an annual extension.

W-1.3. Fees and Other Compensation. The Managing Agent will receive an annual management fee of $40,000 payable in advance in equal, consecutive monthly installments. In the event the term is extended, the annual fee from and after the third (3rd) anniversary of the First Closing of a Residential Unit shall be negotiable. Accordingly, Agent may not increase the annual fee for the first three (3) years of Condominium Operation.

In the opinion of Platinum Properties Of New York Ltd., the fee is in accordance with the prevailing rate for management services in residential cooperatives or condominiums comparable in size, services and amenities to this Building (see DOCUMENT 9 for opinion).

The Managing Agent will also receive the following Unit service fees from an Owner of a Sold Residential or Storage Unit:

(a) $550.00 on the sale or conveyance of a Sold Unit that is subject to (and not exempt from) the Board's Right of First Refusal under the By-Laws (when a Sold Residential Unit and a Sold Storage Unit are sold or conveyed together, the fee shall be limited to $550);

(b) $350.00 on the leasing or renting of a Sold Unit that is subject to (and not exempt from) said Right of First Refusal (when a Sold Residential Unit and a Sold Storage Unit are leased together, the fee shall be limited to $350);

(c) $250.00 for Unit Alterations to a Sold Unit, other than Unit Alterations approved or consented to by Sponsor or other Unsold Unit Owner at or prior to Title Closing; and

(d) $250.00 on a mortgage financing or refinancing of a Sold Unit, if any Board action is requested in connection therewith.

No Purchaser will be required to pay any fee to the Managing Agent to purchase a Unit from Sponsor or to finance the Unit at Closing or for any Unit Alterations approved by Sponsor at or prior to Closing of Title. No such Unit service fees will be paid by the Owners (including Sponsor) or tenants of Unsold Units or the Commercial Units.

In addition, the Condominium Board may collect a security deposit from an Owner or tenant of a Sold Residential Unit when moving into or out of the Building. The security deposit is to be applied by the Board to pay for any damage to the Common Elements caused by such move. Any unapplied amount will be refunded after the move is completed. The amount of the security deposit will be set by the Condominium Board and may change from time to time, but may not exceed $5,000 without obtaining the prior written Discretionary Approval or Consent of Sponsor during only the Sponsor Veto Control Period. See Section 12.8 of the Declaration for discussion.

The Managing Agent may also receive commissions for placing insurance maintained by the Condominium Board and for renting space (if any) in the Residential Limited Common Elements (if authorized and retained for such purpose by the Condominium Board). If the Condominium Board engages the Managing Agent to supervise major or capital Repairs or Alterations to the Common Elements or to arrange a loan for the Condominium Board, the Managing Agent will be separately compensated in an amount to be negotiated at that time.

W-1.4. Major Duties and Services. The major duties and services to be performed by the Managing Agent will include the following:

(a) hire, pay, supervise and discharge the Building staff (the Condominium Board will have the right to approve the number and fitness of the employees);

(b) cause the Common Elements to be maintained in the condition satisfactory to the Condominium Board, including cleaning and ordinary repairs and alterations; however, the Condominium Board must approve any expenditure of over $5,000.00 for any one (1) item, other than emergency repairs;

(c) cause any orders or violations issued by a Governmental Authority or fire underwriters body to be complied with and corrected; however, the Condominium Board must approve any expenditure of over $5,000.00 for any one (1) order or violation, except in the case of a "civil/criminal sanctions order or violation" (as defined in the management agreement);

(d) contract for necessary services to maintain and operate the Building (such as elevator and exterminator services); however, the Condominium Board must approve any contract costing more than $5,000.00 a year or lasting longer than two (2) years;

(e) obtain and maintain insurance for fire, property damage, liability and such other coverage, and in such amounts, as the Condominium Board approves;

(f) if requested, ascertain and report to the Condominium Board and Unit Owners on the tentative assessed valuations of the Units and cooperate in the preparation of any application or lawsuit to correct the assessed valuations;

(g) audit and pay bills for services, work and supplies to maintain and operate the Building, including water and sewer bills;

(h) purchase all supplies necessary to properly maintain and operate the Building; however, the Condominium Board must approve any single supply costing more than $5,000.00 except if needed to make an emergency repair or to correct a civil/criminal sanctions order or violation;

(i) (in the case of a proposed sale or lease of a Residential or Storage Unit that is subject to the Condominium Board's Right of First Refusal under the By-Laws) obtain credit reports on the prospective purchaser or tenant (as applicable) and implement the procedures (including notifications) in the By-Laws to exercise or waive such Right of First Refusal;

(j) bill and collect the Common Charges and, if authorized by the Condominium Board, engage an attorney approved and selected by the Condominium Board to bring a lawsuit against a delinquent Unit Owner for unpaid Common Charges, including foreclosing the Board's lien under the By-Laws and the Condominium Act;

(k) maintain payroll records, and file all necessary forms for unemployment insurance, withholding and social security taxes and other forms relating to the Condominium Board's employees;

(l) render monthly statements of collections and disbursements;

(m) maintain accurate books of the Condominium Board (including checkbooks, minute books, payroll, records of cash billings and collections and orderly files of documents, correspondence, insurance policies, Unit mortgages, etc.);

(n) prepare and submit to the Condominium Board by December 1st of each year, a budget of projected income and expenses for the ensuing year and notify Unit Owners of the annual charges, assessments and any other sums set by the Condominium Board;

(o) arrange an annual audit by the Condominium Board's certified public accountant and distribute the accountant's certified financial statement to the Unit Owners;

(p) prepare and send notices of meetings of the Condominium Board and Unit Owners, arrange the place of each meeting, and attend and keep the minutes of each meeting; and

(q) send to a Permitted Mortgagee a copy of a default notice sent to the Owner of the mortgaged Unit.

W-1.5. Reimbursement for Expenses and Indemnities. The Condominium Board will reimburse the Managing Agent for certain expenses properly incurred to perform the duties and services required by the agreement or authorized by the Condominium Board. The Condominium Board will indemnify the Managing Agent from Claims and Liabilities and Expenses based on: (a) injury to any person or property (unless caused by Agent's gross negligence or willful misconduct or willful violation of the agreement); and (b) Agent's acts properly performed pursuant to the agreement or authorized in writing by the Condominium Board.

The Managing Agent will indemnify the Condominium Board and Unit Owners from Claims and Liabilities and Expenses resulting from Agent's gross negligence, willful misconduct or willful violation of the agreement. Apart from such indemnity, the insurance to be obtained by the Condominium Board as part of the General Common Expenses will include fidelity coverage insuring the Board and Unit Owners against loss occasioned by the dishonest acts of the Managing Agent or its employees (see applicable footnote to SCHEDULE B in Section E for details).

W-1.6. Assignment. The management agreement is not assignable by the Managing Agent.

W-1.7. Cancellation for Cause. The Condominium Board (with the prior approval of a majority in number and Common Interest of Unit Owners) or Agent may cancel the agreement for cause after giving notice of the default and an opportunity for sixty (60) calendar days from giving the default notice to cure the default and thereby void the cancellation notice. However, the Condominium Board will have only thirty (30) calendar days from giving the default notice to cure a default based upon a substantial shortage of cash needed to properly maintain the Building.

The prior approval of Unit Owners required above before the Condominium Board may elect not to extend the term or to cancel for cause must be in writing or voted by written ballot at a duly held meeting of Unit Owners called for such purpose. Copies of such written approvals or written ballots (as applicable) must be delivered to the Agent together with the Condominium Board's notice not to extend the term or notice of cancellation for cause (as applicable). The Units owned by Sponsor and their appurtenant Common Interests shall be excluded from the base number of Units and Common Interests for quorum and voting purposes in determining the number and Common Interest of Unit Owners required to approve said cancellation.

W-2. Other Contracts and Leases. In addition to the management agreement, upon commencement of Condominium Operation, the Condominium Board will be bound by the contracts, licenses and leases disclosed in, or authorized by, the First Year's Budget (SCHEDULE B in Section F) or elsewhere in this Plan. These include the following arms-length service contracts made with, or proposals from, independent service providers, not related to Sponsor or its principal:

Name of Contractor	Nature of Service	Term of Agreement	Projected Annual Cost
Transel Elevator, Inc. 127 West 24th Street New York, New York	Elevator Maintenance	5 years upon signing contract, unless terminated in writing by either party upon 30 days' written notice. (Proposal)	$14,289 (1)
OneSource Pest Control 360 Lexington Avenue, 15th Floor New York, New York	Exterminating	January 1, 2004 through December 31, 2005. Contract may be terminated by either party upon 30 days' prior written notice. (Proposal)	$2,013
Ashland Inc. Drew Industrial Division One Drew Plaza Boonton, New Jersey	Water Treatment	Month to Month	$1,306
To Be Determined	Sprinkler Contract	To Be Determined	$650

(1) The maximum annual increase shall not be more than four (4%) percent above the contracted payment for the preceding contract year. Increases annually are based upon a certain formula (see footnote (8) to SCHEDULE B in Section F above).

W-3. Sponsor's Limited Right to Bind Condominium Board: Sponsor reserves the right to enter into other arms-length contracts, licenses and leases with independent service providers prior to the First Closing of a Residential Unit that will be binding on the Condominium Board, but will amend the Plan to disclose them if they will materially increase the Common Charges or are for longer than five (5) years, other than service contracts, licenses and leases that customarily are for longer terms (such as a cable television contract or license). Sponsor also reserves the right, without amending the Plan, to enter into agreements for "utility services" (as defined in Section 11.11 of the Declaration) that will be binding on the Condominium Board, including licenses and leases for the erection, installation, maintenance and operation of Communications Equipment and Other Installations. Such licenses and leases are typically for initial terms of between 10 to 20 years, depending on the telecommunication or other utility provider. Any Work required in connection with the initial construction and installation of the utility services will be performed by, and at the sole Cost and Expense of, Sponsor or the utility provider (as applicable). The Board will be required to Maintain and Repair the portions of the Building in which the Communications Equipment and Other Installations are located as part of the Residential Common Expenses or General Common Expense (as appropriate).

END OF SECTION W

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SECTION X. IDENTITY OF PARTIES

X-1. Sponsor. Sponsor is 130 West 30th, LLC, having an office at 115 West 30th Street, Suite 203, New York, New York 10001. Sponsor is a limited liability company organized under the Laws of the State of New York. The managing member of Sponsor is H.J. Development, LLC, a New York limited liability company, whose principal and the only member actively involved in this Plan is Henry J. Justin.

X-1.1. Experience. Mr. Henry J. Justin has been in the business of owning, operating and self-managing more than a dozen commercial office and loft buildings in the vicinity of the Property for more than 25 years. Currently, Mr. Justin is a principal of entities that own two commercial buildings, including the subject Building.

X-1.2. Background. Sponsor and its principal have no prior felony convictions. During the past fifteen (15) years: (a) there were no prior bankruptcies, convictions or injunctions against Sponsor, any principal of Sponsor and/or entities in which the principal of Sponsor was a principal; and (b) there were no judgments against any of said parties, other than a civil, private (non-governmental) monetary judgment against Mr. Justin, which has been satisfied and is not in any event material to this Plan or to an offering of securities generally.

X-2. Other Cooperative and Condominium Offerings. Sponsor and the principal of Sponsor have not directly or through affiliates of Sponsor or the principal of Sponsor offered other properties for sale as cooperatives, condominiums, planned unit development homes or time shares which were first offered within the past five (5) years.

X-3. Sponsor's Attorneys. Mandel Resnik Kaiser Moskowitz & Greenstein P.C. ("**MRKM&G**"), with offices at 220 East 42nd Street, 20th floor, New York, New York 10017 represents Sponsor on this Plan. MRKM&G has not passed upon the legal opinions of other attorneys appearing in this Plan, nor passed upon or independently investigated the business or financial terms of this offering, the physical condition of the Building or the projections contained in this Plan. This Plan was prepared by Alan L. Kazlow, Esq., counsel to said firm.

Lippman Krasnow & Kelton LLP, with offices at 711 Third Avenue, New York, NY 10017, was retained by Sponsor to render the opinion on the projected real estate taxes of the Units (see Section S, subsection S-8 above).

No attorney has been engaged to represent the Condominium Association or the Condominium Board. Accordingly, the Management Agreement between H. Justin Realty Services, LLC and the Condominium Board (see Section W, subsection W-1 above) is not the result of an "arms-length" negotiation.

X-4. Managing Agent. The proposed Managing Agent of the Condominium is H. Justin Realty Services, LLC, having an office at 115 West 30th Street, Suite 203, New York, New York 10001.

X-4.1. Experience. The Managing Agent or its principal has been in the business of self-managing commercial office and loft properties for more than 25 years. The properties being managed by the Managing Agent as of this writing consist of the subject Property and 261 West 35th Street, New York, NY. The Managing Agent and its principal have no previous experience in managing residential buildings.

X-4.2. Background. The Managing Agent and its principal have no prior felony convictions. During the past fifteen (15) years, there were no prior convictions, injunctions or judgments against the Managing Agent or its principal that may be material to this Plan or to an offering of securities generally.

X-5. Selling Agent. The Selling Agent engaged by Sponsor to offer and sell the Residential and Storage Units is Insignia Douglas Elliman, LLC ("**Insignia**"), having a business office at 575 Madison Avenue, New York, New York 10022.

X-5.1. Experience. The principals of Selling Agent have been active in the marketing of residential properties, for sale or lease, for more than fifty (50) years. Insignia has been the exclusive sales and marketing agent for The New Museum Building (583 Broadway/158 Mercer Street), 258 Lafayette Street, 534 Hudson Street, 190 Riverside Drive, Westbury House (160 West 86th Street), 129 West 20th Street and The New Theatre Building (240 East 10th Street), among others.

X-5.2. Background. The Selling Agent and its principals have no prior felony convictions. During the past fifteen (15) years, there were no prior convictions, injunctions or judgments against the Selling Agent or any of its principals that may be material to this Plan or to an offering of securities generally.

X-6. Architect and Other Construction Professionals. Sponsor has engaged the following architects and other construction professionals in connection with the rehabilitation and renovation of the Building: Alfredo G. Carballude, R.A., of CMA Design Studio, P.C., whose office is at 111 Avenue C, New York, NY 10009, is the architect of record; Walter Melvin Architects LLC, whose office is at 15 West 28th Street, New York, NY 10001, is the preservation architect involved in the restoration of the Building's façade; Stanislav Slutsky, P.E., whose office is at 139 Fulton Street, New York, NY 10038 is the consulting engineer; and Kevin H. Sweeney, P.E., whose office is at 4599 Route 27, P. O. Box 474, Kingston, New Jersey 08528-0474, is the structural engineer. Sponsor has also engaged Marc Kemeny, R.A., of K Square Designs, Inc., whose office is at 648 Broadway, Suite 900, New York, NY 10012, to examine the Property and issue the report reproduced in DOCUMENT 4 of Part II on the description and conditions of the Building. IVI Environmental, whose office is at 105 Corporate Park Drive, White Plains, NY 10604 was engaged to examine the Property and issue the report contained in DOCUMENT 4 of Part II as to the existence and protocol on handling asbestos containing material.

X-6.1. Experience. Mr. Carballude has been a registered architect since 1986 and has served as architect in connection with interior rehabilitation of over 50 buildings. Walter Melvin Architects LLC has been in business for over 27 years. Mr. Slutsky has been in the engineering business for over 22 years, and over 9 years at his own firm. Kevin H. Sweeney, P.E. has been in the engineering business in his own firm for 10 years. Mr. Kemeny has been a registered architect since 1986 and has inspected over 100 buildings. Charles Montgomery, Senior Project Manager of IVI International, Inc., is a New York City Asbestos Investigator. Mr. Montgomery has over twelve (12) years experience in the environmental consulting business and has made inspections for asbestos containing material and issued reports for over 150 buildings.

X-7. Relationship to Sponsor or Sponsor's Principal. Sponsor and Sponsor's principal are not related to the Selling Agent, the architects, the engineers, the other professionals listed in the preceding subsection X-6, or any person or firm who will provide services to the Condominium Association or the Property subsequent to commencement of Condominium Operation, other than the proposed Managing Agent, H. Justin Realty Services, LLC, whose principal is the principal of Sponsor. Since Sponsor and the Managing Agent will be under common control, Sponsor will have influence over a number of services to be performed by the Managing Agent during Condominium Operation. As a result, to the extent any conflict exists or arises between the interests of Sponsor and the Condominium Association or Board, there is a potential for a similar conflict with the Managing Agent.

END OF SECTION X

SECTION Y. REPORTS TO UNIT OWNERS

Y-1. Annual Financial Statements, Meetings and Budgets. The Condominium Board is obligated to give all Unit Owners annually the following:

(a) the Board is to give all Unit Owners, within four (4) months after the end of each financial year adopted by the Condominium Board, a financial statement of the Condominium Association, including an annual report of receipts and expenditures, prepared by an independent certified public accountant or public accountant; such statement will be certified by the accountant while the Sponsor Board Members constitute a majority of the Residential Board Members;

(b) the Board is to give all Unit Owners, not less than ten (10) calendar days advance written notice of the annual meeting of Unit Owners for the election of members of the Condominium Board; such annual meeting is to be held within approximately thirty (30) calendar days of the anniversary of each previous annual meeting, unless changed by the Condominium Board to be held within approximately 60 calendar days after the issuance of the Condominium Association's annual financial statements for the previous 12 months of operation for financial reporting purposes; and

(c) the Board is to give all Unit Owners, at least ten (10) calendar days before the start of each Budget Year, a copy of the annual Budget of Condominium Operation adopted by the Condominium Board, which shall set forth those Budget items that are part of the Residential Common Expenses or General Common Expenses in accordance and compliance with this Plan (see Section F), the Declaration (see Article 9) and the By-Laws (see Articles 8 and 9); while the Sponsor Board Members constitute a majority of the Residential Board Members, each such Budget will be accompanied by a certification of adequacy from an independent expert experienced in residential management in accordance with Part 20 of the Department of Law's regulations.

END OF SECTION Y

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SECTION Z. DOCUMENTS ON FILE

Z-1. Plan, Amendments and Condominium Documents. For six (6) years from the date of First Closing of a Residential Unit, Sponsor shall keep copies of this Plan, all Plan Amendments, all documents referred to in this Plan and all Exhibits submitted to the Department of Law in connection with the Filing of this Plan on file and available to prospective Purchasers, Purchasers and Unit Owners for inspection without charge and copying at a reasonable charge at Sponsor's office at 115 West 30th Street, Suite 203, New York, New York 10001.

At the First Closing of a Residential Unit, Sponsor shall deliver to the Condominium Board, a copy of the Condominium Documents that are filed and recorded with the appropriate recording office to establish the Condominium.

END OF SECTION Z

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SECTION AA. GENERAL

AA-1. Litigation. There are no pending lawsuits, administrative proceedings or other proceedings the outcome of which may materially affect this offering, the Property, Sponsor's capacity to perform all of Sponsor's obligations under this Plan, the Condominium Association or the operation of the Condominium.

AA-2. No Prior Cooperative or Condominium Offering of Property. The Property has not, to the knowledge of Sponsor, been the subject of any prior cooperative or condominium offerings. In addition, as of the date of first presentation of this Plan, no preliminary binding agreements have been entered into, and no money has been collected from, prospective Purchasers by Sponsor for the sale of Units in the Building. Sponsor has conducted a market test of the Units pursuant to Cooperative Policy Statement No. 1 issued by the Attorney General prior to the Filing of this Plan.

AA-3. Compliance with Civil Rights Laws. Sponsor and its agents, including the Selling Agent, will not discriminate against any person on any basis prohibited by civil rights Laws in connection with the offering for sale, the sale, the financing or the leasing of Units under this Plan. These Laws prohibit discrimination based on (among other things) sex, age, race, creed, color, national origin, ancestry, disability or marital status.

AA-4. Amendments. Sponsor reserves the right to file Amendments to this Plan, including Amendments that may be materially adverse to Purchasers. If there is a material Amendment that adversely affects Purchasers, Sponsor must grant Purchasers a right of rescission and a reasonable time that is not less than 15 days after the date of presentation of such Amendment to exercise the right to rescind. Sponsor must return the Deposit to Purchasers who rescind together with the interest earned thereon and any Net Refundable Special Work Payment (if and to the extent applicable). If an Interim Tenant-Purchaser elects to rescind, his or her Interim Lease will automatically be cancelled and the Deposit will be refunded conditional upon the surrender of vacant possession of the Unit (see Section J, subsection J-4 for discussion and the 30 calendar day deadline, or "TIME OF THE ESSENCE" period, from cancellation within which the Interim Tenant-Purchaser must surrender vacant possession of the Unit before becoming liable for Sponsor's Costs and Expenses (including losses) for removal and recovering possession.

AA-5. Use or Enjoyment of Property. The Use or Enjoyment of the Property are not affected by any reciprocal covenants or easements with owners of properties adjacent to the Property or any known impending adjacent high-rise construction. The Building, however, is designated as an individual landmark under the Landmark Law. As a result, before undertaking alterations, additions or improvements in or to the Building or a Unit (other than certain ordinary repairs and maintenance) which affects any exterior architectural feature of the Building, the approval and a Certificate of Appropriateness or a Certificate of No Effect (as applicable) must first be obtained from the Landmarks Commission (see Section A, subsection A-25). In addition, in order to obtain a special permit to rehabilitate and renovate the Building with Residential Units, the Property is subject to a certain restrictive declaration, which requires the Board to comply with a so-called continuing maintenance program (see Section A, subsection A-26 and Section R, subsection R-15 above). The Building and Units are also subject to the zoning classification for the Property and the special permit issued in connection with the rehabilitation and renovation of the Building, which permit the intended uses of the Units set forth in this Plan (see Section D, subsection D-2 above).

AA-6. Contents of Plan. The Plan does not knowingly omit a material fact or knowingly contain an untrue statement of a material fact. Any statement, representation or information that is not expressly contained in this Plan or an Amendment is not authorized and should not be relied upon. This Plan may not be modified orally and no provision may be waived orally.

The projections in the First Year's Budget (see SCHEDULE B in Section F) and the projected Common Charges in the Offering Price Schedule (SCHEDULE A in Section E) are made in reliance upon the expertise of Platinum Properties Of New York Ltd., which prepared the First Year's Budget and certified as to the adequacy of such Budget (see DOCUMENT 8C in Part II) and the adequacy of the Common Charges of the Commercial Units to meet the anticipated Operating expenses fairly and properly attributable to the Commercial Units for the first year of Condominium Operation (see DOCUMENT 8D in Part II).

The projected real estate taxes in the Offering Price Schedule are based on certain estimates of Lippman Krasnow & Kelton, LLP and are made in reliance upon the expertise of such firm (see footnote 6 to SCHEDULE A (in Section E) and Section S).

The report on the Description of Property and Specifications or Building Condition (see DOCUMENT 4) has been included in this Plan in reliance upon the expertise of Marc Kemeny, R.A., of K Square Designs, Inc., who certified its accuracy in DOCUMENT 8B in Part II.

The statements in this Plan on the availability of income tax deductions to qualified Residential Unit Owners have been made in reliance upon the expertise of Mandel Resnik Kaiser Moskowitz & Greenstein P.C., whose tax opinion is set forth in Section T, subsection T-6.

END OF SECTION AA

SECTION BB. SPONSOR'S STATEMENT OF BUILDING CONDITION

BB-1. Report On Description of Property and Building Condition. Sponsor adopts the report on the Description of Property and Building Condition set forth as DOCUMENT 4 in Part II of this Plan and represents that Sponsor has no knowledge of any material defects or need for major repairs to the Property except those to be corrected as part of Sponsor's Building Plans and Specifications for the rehabilitation and renovation of the Building, or as set forth in such report, or included in the First Year's Budget or customarily corrected by routine maintenance. The report was prepared by Marc Kemeny, R.A., of K Square Designs, Inc., and is included in this Plan in reliance upon the expertise of such professional.

A report on asbestos containing material in the Building, including the floors to be renovated with Residential Units, prepared by Charles Montgomery, a licensed New York City Asbestos Investigator, of IVI International Inc., is included in DOCUMENT 4A in Part II of this Plan. The report discloses (among other things):

(a) asbestos containing material was found in boiler insulation, boiler flue insulation in two locations, pipe insulation in certain below grade locations and within various pipe chases, built-up roofing on the main Roof and Roof setbacks and floor tile in the lobby and certain other ground floor locations;

(b) the qualifications of the person preparing the report;

(c) a detailed inventory of the asbestos in areas of the Building, including its location, amount, type and concentration and condition (no Residential Units were built at the time of inspection);

(d) recommendations for handling the asbestos (i.e., removal, enclosure, encapsulation or leaving undisturbed);

(e) how the recommendation should be implemented (including whether Residential Units must be vacated or use of certain rooms limited and the projected duration thereof) and whether New York City Local Law 76 of 1985 or other Laws are applicable; and

(f) a recommended protocol (operations and maintenance program) for future handling and maintenance of asbestos which will remain in the Building, whether encapsulated, enclosed or left undisturbed.

See the report in DOCUMENT 4A for full details.

BB-2. Rehabilitation. Sponsor has undertaken to substantially rehabilitate and renovate the Building with 45 new, fully equipped and outfitted Residential Units and 16 new Storage Units in accordance with Sponsor's Building Plans and Specifications. A summary of the rehabilitation and renovation, including the Units, the common areas and the Building Systems is contained in DOCUMENT 4 in Part II and referred to in Section C, subsection C-1 above. The projected timetable for completion of construction is contained in subsection C-3 above.

BB-3. Certificate of Occupancy. The existing Certificate of Occupancy of the Building is to be amended to authorize the number of Units for the proposed uses set forth in this Plan as part of Sponsor's Obligations. Sponsor must obtain either a permanent Certificate of Occupancy or a temporary or partial Certificate of Occupancy of the Building authorizing the use of the Unit to be sold and conveyed for the purpose stated in this Plan prior to the Closing of Title to such Unit. See Section O, subsection O-2.9 for discussion.

BB-4. Official Inspection Reports. Official inspection reports reflecting upon the condition of the Property (such as notices of building code violations as at the date of search) and reports required by local law (including the report required by Local Law 11 concerning the Building Walls) are noted in the report on Description of Property and Specifications or Building Condition (DOCUMENT 4 in Part II). A list of violations existing at 1/13/03 is contained in paragraph "(v) Violations" at page 25 of DOCUMENT 4. See Section O, subsections O-2.22 and O-2.23 for Sponsor's Obligations to correct violations noted or issued prior to the First Closing of a Residential Unit, to perform work mandated under the Local Law 11 report and to update official inspection certificates and permits for Building Equipment that expire prior to the First Closing of a Residential Unit.

BB-5. Lead-Based Paint. There are two Laws concerning lead-based paint in residential units. They consist of certain regulations adopted by the federal Department of Housing and Urban Development and the federal Environmental Protection Agency ("**Federal Regulations**") and Local Law 38 adopted by the New York City Council ("**Local Law 38**").

The Federal Regulations, among other things, give prospective Purchasers the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards in the Residential Unit to be purchased (other than studio apartments) before entering into a Purchase and Sale Agreement. In addition, Sponsor is required to disclose any known presence of lead-based paints and/or lead-based paint hazards in the Residential Unit and to make available any records and reports pertaining thereto. Sponsor will comply with the Federal Regulations (see Section K, subsection K-36 above and a certain report on lead-based paint appended at the end of the architect's report in DOCUMENT 4 of Part II). The Federal Regulations do not require Sponsor, and Sponsor has not undertaken, to abate, contain, remove or otherwise correct lead-based paint condition or hazards.

Local Law 38, among other things, requires owners of multiple dwellings to make yearly inspections of residential apartments and to contain or repair (but not remove) within certain time frames any lead-based paint peeling on any surface or on a deteriorating surface which is in a multiple dwelling in which a child under six (6) years of age resides. Sponsor will comply with Local Law 38 to the extent applicable. It is noted that the Residential and Storage Units will be enclosed with new latex (i.e., water-based) painted gypsum board. Ceilings will be painted over with latex paint, but any original painted ceiling surfaces will remain. Since these painted surfaces may likely contain lead-based paint, Purchasers contemplating Alterations that penetrate or disturb the surfaces of ceilings should consult with a qualified consultant or contractor for the recommended protocol to perform the Alteration and avoid potential lead-based paint dust contamination.

END OF SECTION BB

END OF PART I

Table of Contents
(continued)

PART II

Document		Page
1.	PURCHASE AND SALE AGREEMENT	DOC 1-1
1A.	PURCHASE APPLICATION	DOC 1A-1
1B.	FORM W-9 REQUEST FOR TAXPAYER IDENTIFICATION NUMBER	DOC 1B-1
1C.	FORM W-8 CERTIFICATE OF FOREIGN STATUS	DOC 1C-1
1D.	ESCROW AGREEMENT	DOC 1 D-1
1E.	DISPUTE RESOLUTION APPLICATION	DOC 1E-1
1F.	10 DAY LEAD-BASED PAINT NOTICE	DOC 1F-1
1G.	PRE-CONTRACT INSPECTION AGREEMENT	DOC 1G-1
1H.	EPA PAMPHLET ON LEAD-BASED PAINT	DOC 1H-1
2.	UNIT OWNER'S POWER OF ATTORNEY	DOC 2-1
3.	FORM OF UNIT DEED	DOC 3-1
4.	DESCRIPTION OF PROPERTY AND SPECIFICATIONS OR BUILDING CONDITION	DOC 4-1
4A.	ASBESTOS REPORT	DOC 4A-1
5.	FLOOR PLANS	DOC 5-1
6.	DECLARATION OF CONDOMINIUM	DOC 6-1
7.	CONDOMINIUM BY-LAWS	DOC 7-1
8.	CERTIFICATIONS:	
	A. SPONSOR AND SPONSOR'S PRINCIPAL	DOC 8A-1
	B. SPONSOR'S ARCHITECT	DOC 8B-1
	C. SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET	DOC 8C-1
	D. SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY THE COMMERCIAL UNIT OWNERS	DOC 8D-1
9.	OPINION ON MARKET RATE MANAGEMENT FEE	DOC 9-1

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[Please sign 4 originals and return to:
Mandel Resnik Kaiser Moskowitz & Greenstein P.C.
220 East 42nd St., 20th floor, New York, NY 10017
Attn: Alan L. Kazlow, Esq.]

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement ("**Agreement**") is dated and made as of _____, 200__, between the following "**parties**": 130 West 30th, LLC (the "**Seller**" or "**Sponsor**"), having an address for notices at c/o H. Justin Realty Services, LLC, 115 West 30th Street, Suite 203, New York, NY 10001, and the party signing below as "**Purchaser**".

1. Agreement to Purchase and Sell

1.1 Purchaser agrees to purchase from Seller, and Seller agrees to sell to Purchaser, for the Purchase Price stated in paragraph 2.1 and on the terms and conditions set forth in this Agreement, the following Unit or Units of the proposed 130 West 30th Street Condominium ("**Condominium**") together with its or their respective appurtenant Common Interest(s) in the Common Elements (said Unit or Units and appurtenant Common Interest(s) are hereinafter collectively called the "**Unit**"), as such Unit is to be designated in the Declaration establishing the Condominium, to be located on the land and the "**Building**" and other improvements erected thereon (collectively, "**Property**") known by the street address for Residential Units of 130 West 30th Street, New York, New York 10001:

	Number	Common Interest
Residential Unit:	_____	_____%
Storage Unit:	_____	_____%

2. Purchase Price

2.1 The "Purchase Price" of the Unit is $_____, which Purchaser agrees to pay to Seller as follows:

$_____* ("**Deposit**") on signing this Agreement; and

$_____ ("**Balance**") at closing of title.

* Includes any sum previously given on receipt of the Offering Plan and Amendments for the Property.

3. Date of Receipt of Offering Plan

3.1 Purchaser acknowledges receipt of the Offering Plan for the Property and the _____ Amendments thereto on _____ ___, ____.

PURCHASER MUST BE AFFORDED THREE (3) FULL BUSINESS DAYS TO REVIEW THE OFFERING PLAN AND AMENDMENTS BEFORE SIGNING THIS AGREEMENT.

4. Information on Purchaser

4.1 Purchaser's address for notices and personal information for this transaction are:

Street:_____ Apt. No._____

City: _____ State: ___ Zip Code:_____

Phone #: Daytime _____; Evening:_____

Social Security/Federal EID No.: _____

Social Security/Federal EID No.: _____

5. Purchaser's Attorney

5.1 The attorney representing Purchaser on this transaction is:

Individual Attorney: _____

Firm Name: _____

Address: _____

_____

_____

Phone #: (____) _____

Fax #: (____) _____

6. Identity of Participating Broker

6.1 The only brokers and salespersons that Purchaser has dealt with on this transaction are the Selling Agent, Insignia Douglas Elliman LLC, and :

Participating Broker: _____ *

Salesperson: *

* [If inapplicable, state "None".]

7. Terms and Conditions of Purchase and Sale

7.1 The terms and conditions of this Agreement are continued in paragraphs 8 through 32, which start on the next page entitled "*Terms and Conditions of Purchase and Sale Agreement*", the Exhibits to this Agreement and any riders hereto signed by Seller and Purchaser, all of which form a part of this Agreement.

Attestation: Seller and Purchaser agree that the provisions of this Agreement are legal and valid, binding on each of them and fully enforceable in accordance with its terms.

SELLER:
130 West 30th, LLC
By: H. J. Development, LLC, Managing Member
By:
Signature: _____
Name _____
Title: _____
Date Accepted: _____

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PURCHASER:
Signature: _____ *
Print Name: _____
Signature: _____ *
Print Name: _____
Signed by Purchaser on _____ ___, _____
***NOTE: THIS IS THE EXACT NAME THAT WILL BE USED ON THE DEED.**

TERMS AND CONDITIONS OF PURCHASE AND SALE AGREEMENT

TABLE OF CONTENTS

Caption	Page
1. Agreement to Purchase and Sell	1
2. Purchase Price	1
3. Date of Receipt of Offering Plan	1
4. Information on Purchaser	1
5. Purchaser's Attorney	1
6. Identity of Participating Broker	1
7. Terms and Conditions of Purchase and Sale	1
8. Definitions	2
9. Incorporation in Agreement	3
10. Procedure to Purchase	4
11. Closing Date, Time and Place	4
12. Purchaser's Closing Costs	5
13. Closing and Post Closing Apportionments	7
14. Closing Payments and Documents	8
15. Possession	9
16. State of Title	9
17. Personal Property Included in Sale	11
18. Seller's Construction Obligations	12
19. Purchaser's Changes and Extras	14
20. Pre-Closing Inspection by Purchaser	14
21. Risk of Loss	15
22. Purchaser's Events of Default; Seller's Remedies	16
23. Purchaser's Remedies on Seller's Default or Inability to Perform	17
24. Claims Released On Cancellation and Disbursement of Purchase Monies	18
25. Escrow Provisions	18
26. Effectiveness Amendment Requirement	22
27. Plan and Amendments Govern	22
28. Purchaser's Time to Review Plan and Amendments	22
29. Seller's Acceptance or Rejection of Agreement	22
30. Broker	23
31. Notices	23
32. Standard Terms	24

EXHIBIT A Permitted Encumbrances
EXHIBIT B: Final Inspection Statement
EXHIBIT C: Lead-Based Paint Disclosure Form

8. Definitions

8.1 The words frequently used in this Agreement (whether uppercase or lowercase) are defined below. The words and terms used in this Agreement without express definition that are used in the Offering Plan shall have their respective meanings given to them in the Offering Plan.

"Agreement": This Purchase and Sale Agreement.

"Amendment": An Amendment to the Offering Plan accepted for filing by the Attorney General.

"Attorney General": The Attorney General of the State of New York.

"Building": The building to be rehabilitated and renovated on the land and to be known by the residential street address of 130 West 30th Street (a/k/a 128-134 West 30th Street), New York, New York.

"business day": Any day that is not a Saturday, Sunday or legal holiday of the State of New York or the U.S. government.

"business hours": Between the hours of 9:00 a.m. and 5:30 p.m.

"Claim": Any kind of claim, right, cause for Lawsuit or Lawsuit.

"Closing Date", "closing", "closing of title", "title closing" and words of similar import: The date upon which, among other things, Seller delivers the "Deed" (defined below) for the Unit to Purchaser and Purchaser pays the Balance of the Purchase Price to Seller.

"Condominium": 130 West 30th Street Condominium.

"Cost and Expense" or **"Cost or Expense"**: Any kind of: loss, damage, penalty, fine, liability, judgment, award, cost, expense and amount (including reasonable legal fees and disbursements, court costs and all other litigation expenses) paid, payable or incurred in connection with any Claims or to perform, observe, enforce, uphold, protect, defend, maintain or collect sums payable under a right, remedy, obligation, requirement, agreement or indemnity given in or pursuant to this Agreement.

"damages": All kinds of damages, whether actual, consequential, incidental, special, indirect or otherwise.

"Deed": The deed described in paragraph 14.1.h. conveying the Unit to Purchaser.

"Department of Law": The Department of Law of the State of New York, which is administered by the Attorney General.

"Depository": Citibank Private Bank, having an office at 153 East 53rd Street, New York, New York 10022.

"Force Majeure": Events or circumstances beyond the control of a party, such as those listed in paragraph 11.3.

"include", "includes", "including", "such as", "for example" and similar words: Whenever these words precede a list of one or more items, the list is not to be limited to the item(s) mentioned and shall always be construed as though followed by the words "but not limited to".

"indemnify" or a derivation thereof: This includes to defend and to hold harmless.

"Institutional Lender": A bank, saving bank, savings and loan association, trust company, credit union of which Purchaser is a member, licensed mortgage banker, insurance company or governmental entity duly authorized to make a loan secured by a first mortgage on the Unit.

"interest": Interest on the Deposit, to the extent such interest is earned and collected from the Depository.

"land": The parcel of land situated in Section 3, Block 805, Lot 81 of the tax map of the County of New York.

"law": Every applicable law and ordinance of federal, state, city or other governmental authority and each and every regulation, code, rule, order, directive, permit and requirement of all governmental or quasi-governmental authorities having jurisdiction over the Property or the Unit.

"Lawsuit": Any kind of suit, controversy, dispute and litigation, whether legal or equitable, brought in or before any: court, tribunal or judicial system (federal, state, local or international); governmental administrative authority; arbitration or mediation association; or alternative dispute resolution body.

"Liabilities and Expenses": All liabilities, judgments, awards, losses, damages, penalties, fines and Cost and Expenses.

"Loan Commitment Letter": A written offer to make a loan to Purchaser, with or without recourse, whether or not conditional upon any factor, secured by a first mortgage on the Unit.

"Net Purchase Monies": The Deposit, any interest earned thereon, and any Net Refundable Special Work Payment (if and to the extent applicable).

"Net Refundable Special Work Payment": The amount (if any) by which the Special Work Payment exceeds the actual Costs and Expenses incurred or paid to perform the Special Work and to restore the Unit to its condition existing before undertaking the Special Work.

"Offering Plan" or **"Plan"**: The Condominium Offering Plan for 130 West Street (a/k/a 128-34 West 30th Street), New York, New York 10001 and all Amendments to such Offering Plan filed prior to the date upon which Purchaser signs this Agreement. The Plan includes the documents reproduced in Part II thereof.

"party": Seller and Purchaser are each a party to this Agreement.

"Plans and Specifications": Seller's plans and specifications for the rehabilitation and renovation of the Building and the units of the Condominium and any amendments thereto which, to the extent required by law, have been or will be filed with the New York City Department of Buildings and which may, from time to time, hereafter be amended in accordance with the provisions of the Plan.

"Property": The land and the Building erected thereon, which are to be submitted to condominium ownership pursuant to Article 9-B of the Real Property Law.

"Purchase Price". The amount set forth in paragraph 2.1, which Purchaser is to pay to Seller for the sale and conveyance of the Unit pursuant to this Agreement.

"Purchase Monies": The Deposit, any interest earned thereon and any Special Work Payment.

"Scheduled Closing Date": The date to be fixed by Sponsor pursuant to paragraph 11.1 to close title to the Unit.

"Selling Agent": Insignia Douglas Elliman.

"sign in recordable form": The proper notarization and acknowledgment of a signature in the form required to record or file the document in question.

"Special Work": Any alterations, or upgraded appliances, equipment or cabinets, or other work ordered by Purchaser and itemized in a rider or modification to this Agreement.

"Special Work Payment": Any sum paid by Purchaser for Special Work.

"Title Insurance Company": any of: First American Title Insurance Company of New York; Counsel Abstract, Inc. as agent for Ticor Title Insurance Company; Chicago Title Insurance Company; Commonwealth Land Title Insurance Company; or Fidelity National Title Insurance of New York.

"Unit": The Unit or Units and its or their respective Common Interest(s) identified in paragraph 1.1.

9. **Incorporation in Agreement**

9.1 These "Terms and Conditions of Purchase and Sale Agreement" form a part of the Agreement and are additional provisions governing Seller's

agreement to sell, and Purchaser's agreement to purchase, the Unit.

10. Procedure to Purchase

10.1 Purchaser is herewith paying the Deposit in the amount specified in paragraph 2.1 (which equals 10% of the Purchase Price) by Purchaser's good personal collectible check or (at Seller's exclusive option) Purchaser's certified check or official cashier's or bank check. Seller acknowledges receiving a check for the Deposit, but Seller's agreements and obligations under this Agreement are conditional upon the collection of the check. Simultaneously with Purchaser's execution and delivery of this Agreement, Purchaser shall complete, sign and deliver to Seller the Purchase Application on the form provided by Seller and, if Purchaser is subject to backup withholding rules, Internal Revenue Service ("**IRS**") form W-8 "Certificate of Foreign Status" (if Purchaser is a non-resident alien or foreign entity) or IRS form W-9 "Request for Taxpayer Identification Number (if Purchaser is a United States citizen or resident alien).

10.2 All checks for the Deposit and the Balance of the Purchase Price in the amounts specified in paragraph 2.1 must be drawn on (and payable by) a member bank of the New York Clearing House Association, or a local bank or other Institutional Lender acceptable to Seller (in its sole discretion), and must be unendorsed and made payable to the direct order of the following payee:

a. in the case of the Deposit, "Mandel Resnik Kaiser Moskowitz & Greenstein P.C. as Escrowee for 130 West 30th Street Plan"; and

b. in the case of the Balance, "130 West 30th, LLC", or to such other payee(s) as Seller may specify on not less than two (2) business days' prior oral notice or three (3) business days' prior written notice to Purchaser or Purchaser's attorney (if any).

Purchaser shall not use a third party check (other than that of an Institutional Lender), including a corporate check (unless Purchaser is the corporation), to pay either the Deposit or the Balance.

11. Closing Date, Time and Place

11.1 After the Plan is declared effective, the date and time for closing of title to the Unit will be fixed by Seller on not less than 30 calendar days prior written notice to Purchaser. Seller shall not send such notice before the Effectiveness Amendment is sent to Purchaser. The closing of title shall take place at the offices of Mandel Resnik Kaiser Moskowitz & Greenstein P.C., 220 East 42nd Street, New York, New York 10017.

11.2 Seller has the right to postpone the closing one or more times to remove a title objection or satisfy a closing prerequisite under the Plan or for any other good faith reason. In the event Seller postpones the closing or Purchaser fails to close on the Scheduled Closing Date fixed by Seller in accordance with paragraph 11.1 (or any postponed dated fixed by Seller in accordance with this paragraph 11.2), Seller will fix a new date and time for closing. Purchaser will be given written or oral notice of a postponement by Seller and at least 10 calendar days' prior written notice of the new date and time for closing fixed by Seller. In the event Seller postpones the closing, Purchaser will pay the full amount of Purchaser's closing payments contained in paragraph 14.1 on the postponed date of closing, including the Balance of the Purchase Price, without abatement, set-off or credit or provision for escrowing monies, and without recourse of any kind against Seller.

11.3 Under the Plan, the "First Closing" (as defined in the Plan) is targeted to occur on July 1, 2003, but may actually occur earlier or later. Purchaser understands that completion of the Unit and/or Building may be delayed due to events beyond Seller's control (i.e., "Force Majeure"), such as inclement weather; fire; explosion; power failure; labor strikes, lockouts, stoppages or other disputes affecting Seller or Seller's contractors or subcontractors; shortages or late delivery of materials or supplies affecting Seller or Seller's contractors, subcontractors or suppliers; and delays in issuing permits or licenses or conducting inspections by, or other actions or inactions of, governmental authorities having jurisdiction). Accordingly:

a. Seller does not represent, assure or guarantee when the actual date of the First Closing will occur, which might be earlier or substantially later;

b. Seller does not represent, assure or guarantee when the actual day of closing of title to the subject Unit will occur, which might be substantially after the First Closing;

c. Seller will determine the order of closings of Residential Units, which need not coincide with the sequence in which they are contracted for sale or the numerical order of the floors;

d. Purchaser will not be excused from paying the full Purchase Price, without abatement, set-off or credit, and without recourse of any kind against Seller, in the event the First Closing occurs substantially later than said targeted closing date or the closing of title to the subject Unit is substantially after the First Closing or is postponed; provided, however, if the First Closing is not held before June 30, 2004 or such later date as

may be set forth in an Amendment to the Plan served on Purchaser before Purchaser signs and delivers this Agreement, Purchaser will be offered the option (if Purchaser is not then in default hereunder beyond the applicable grace period and the Plan has been declared effective) to rescind this Agreement and recover the Net Purchase Monies as Purchaser's sole right and remedy; and

e. in no event shall Seller be liable to Purchaser for Purchaser's actual, consequential, incidental, special, indirect or other damages or losses due to any delay in completing construction of the Unit or the rehabilitation and renovation of the Building or in closing title to the Unit.

12. **Purchaser's Closing Costs**

12.1 At title closing, Purchaser shall pay the following "mandatory" closing costs, which are in addition to (but not part of) the Purchase Price:

a. Purchaser shall pay the New York City Real Property Transfer Tax and the New York State Real Estate Transfer Tax applicable to this purchase and sale together with the governmental fees and charges, and title company's service charge, to file these transfer tax returns and the New York State equalization and assessment form, and to record the Deed and Unit Owner's Power of Attorney;

b. Purchaser shall pay a sum equal to two (2) months' projected Common Charges for the Unit (i.e., each Residential Unit and Storage Unit comprising the "Unit") as set forth in the Plan in SCHEDULE A – Offering Prices and Related Information, as such projected Common Charge may be revised in an Amendment prior to the First Closing (such payment represents Purchaser's contribution to the Condominium's Working Capital Fund and shall be made payable and delivered to Seller until the amounts paid by purchasers under the Plan who close title fully reimburse Seller for its "advance" payment to the Working Capital Fund as set forth in the Plan and, thereafter, will be made payable to 130 West 30th Street Condominium or as otherwise directed by the Condominium Board and delivered to Seller at title closing for forwarding to the Board or its Managing Agent); and

c. Purchaser shall pay Seller's attorneys, Mandel Resnik Kaiser Moskowitz & Greenstein P.C. (or any other attorney designated in writing by Seller) the following sum: (a) (if Purchaser closes title without mortgage financing) such payment shall equal $1,200.00; or (b) (if Purchaser closes title with mortgage financing) such payment shall equal $1,400.00 (such payment to cover the cost of Unit closing legal services in connection with this purchase and sale).

12.2 At title closing, Purchaser shall also pay the following "elective" closing costs:

a. if Purchaser elects to obtain a mortgage loan:

(a-1) Purchaser shall pay the mortgage recording tax, the governmental fee and charges to record the mortgage and a service charge to the title company to record the mortgage;

(a-2) Purchaser shall pay Seller an amount equal to all of Purchaser's savings in the mortgage recording tax to which Purchaser is entitled, whether such savings results from an assignment of an existing mortgage on the Unit or is pursuant to Real Property Law Section 339-ee or otherwise;

(a-3) if Purchaser's Institutional Lender or its attorney refuses to close at the offices of Seller's designated attorneys, Mandel Resnik Kaiser Moskowitz & Greenstein P.C. (or any other attorney designated in writing by Seller) as set forth in paragraph 11.1, and requires the closing to be held elsewhere in The City of New York, Purchaser shall also pay Mandel Resnik Kaiser Moskowitz & Greenstein P.C. (or other attorney designated by Seller) a travel fee of $350 (if the closing is held in Manhattan) or $500 (if the closing is held elsewhere in New York City) [NOTE: Seller and Seller's attorneys are not required to attend the closing outside of New York City];

(a-4) Purchaser shall pay the premium for mortgage title insurance (if required by Purchaser's mortgage lender); and

(a-5) Purchaser shall pay all escrows (such as for Common Charges and real estate taxes), private mortgage insurance fee (if any) and other mortgage closing costs and expenses required by Purchaser's mortgage lender (if any);

b. if Purchaser elects to order title insurance:

(b-1) Purchaser shall pay the premium of Purchaser's title insurer for the policy together with all charges and costs of title searches and any escrow for real estate taxes relative to Purchaser's period of ownership of the Unit; and

(b-2) such title insurance is not ordered from any of the five (5) title insurers comprising the Title Insurance Company (identified in paragraph 8.1), Purchaser shall pay Seller's attorney, Mandel Resnik Kaiser Moskowitz & Greenstein P.C. (or any other attorney designated in writing by Seller) the sum of $350 for legal services in clearing title with Purchaser's title insurer as provided in paragraph 16.8;

c. if Purchaser elects to retain an attorney, Purchaser shall pay the fees and other charges of Purchaser's attorney; and

d. if Purchaser has dealt with any broker other than the Selling Agent and the Participating Broker (if any) identified in paragraph 6.1, Purchaser shall pay the fee or commission earned by such broker.

12.3 At title closing, Purchaser shall also pay the following "delinquent closing costs" if Purchaser fails for any reason whatsoever not due to the fault of Seller to close on the Scheduled Closing Date to be fixed by Seller in accordance with paragraph 11.1 or if the Scheduled Closing Date so fixed by Seller is postponed because Purchaser or Purchaser's attorney fails to timely notify Seller or Seller's attorneys of a title objection as provided in paragraph 16.4:

a. Purchaser shall reimburse Seller per diem interest for lost opportunity of earnings on the Purchase Price at the annual rate of 10% of the Purchase Price, prorated for each day's delay, starting on the originally Scheduled Closing Date fixed by Seller pursuant to paragraph 11.1 through the end of the day prior to the actual date title closes (or expressed as a formula: Purchase Price x 10% ÷ 365 x number of days delayed);

b. Purchaser shall also reimburse Seller for the Unit's Common Charges and real estate taxes for the period of such delay; and

c. Purchaser shall pay Seller's designated attorneys, Mandel Resnik Kaiser Moskowitz & Greenstein P.C. (or any other attorneys designed in writing by Seller), the amount of $250.00 for each default notice sent to Purchaser (for the costs to send such notice) and a further sum of $250.00 for each time the closing is rescheduled (for the costs to fix a new Closing Date and time, to coordinate the attendance of all persons, to redate the closing documents and to recalculate the closing apportionments).

12.4 Purchaser shall pay Purchaser's closing costs under this paragraph 12 based on the applicable governmental and title company rates in effect at closing.

12.5 All sums payable to Seller and said attorneys designed by Seller (i.e., Mandel Resnik Kaiser Moskowitz & Greenstein P.C. or other attorney designated by Seller, as applicable) under paragraph 12.3 shall be:

a. paid by Purchaser's good certified personal check or bank money order or an official cashier's or bank check;

b. drawn on and payable by a member bank of the New York Clearing House Association or a local bank or other Institutional Lender acceptable to Seller, in its sole discretion; and

c. unendorsed and made payable to the direct order of the appropriate recipient.

12.6 The New York City and the New York State transfer taxes payable by Purchaser under paragraph 12.1.a shall be paid by Purchaser's unendorsed certified check or unendorsed official cashier's or bank check made payable directly to the appropriate taxing authority.

12.7 Purchaser shall pay any additional tax or tax deficiency in such New York City and State transfer taxes payable by Purchaser under paragraph 12.1.a. Similarly, if Purchaser obtains a mortgage loan, Purchaser shall pay any additional tax or tax deficiency in the mortgage recording tax payable by Purchaser under paragraph 12.2.a. Purchaser shall also pay any interest and penalties assessed by a taxing authority in connection with any of these additional tax or tax deficiency payments.

12.8 Purchaser shall indemnify Seller (with attorneys selected by Seller) from and against any and all Costs and Expenses resulting from Purchaser's agreements in paragraphs 12.1 and 12.7.

12.9 Purchaser's obligations under paragraph 12.1.a (to pay the New York City State transfer taxes), paragraph 12.2.d (to pay the commission earned by Purchaser's broker, other than the Selling Agent and Participating Broker, if any), paragraph 12.7 (to pay all additional taxes, tax deficiencies, interest and penalties) and paragraph 12.8 (to indemnify Seller from any breach of Purchaser's obligations in paragraph 12.7) shall survive the closing.

13. **Closing and Post Closing Apportionments**

13.1 At closing, Seller and Purchaser shall apportion the following items with respect to the Unit as of 11:59 p.m. of the preceding day:

a. real estate taxes and the then current installment of any special real estate tax assessment covering the tax period within which the closing occurs; and

b. the monthly Common Charge and the then current installment of any Condominium special assessment for the period in which title closes.

All such apportionments shall be based on the actual number of days of the billing period in question for said items. If title closes before the Unit is separately assessed and billed for real estate taxes, then real estate taxes shall be apportioned as provided in the Plan and after the Unit is so separately assessed and billed, Seller and Purchaser shall have the right, for only 60 calendar days after the Unit is so separately assessed and billed (time being of the essence), to adjust post closing any overpayment or underpayment of real estate taxes apportioned at closing as set forth in the Plan (see Section N, subsection N-1.3). If title closes after the Unit is separately assessed and billed but before the bill for real estate taxes is issued covering the period in which the closing occurs, then such real estate taxes shall be apportioned on the basis of the last issued real estate tax bill with respect to the Unit for the preceding fiscal tax year.

13.2 The net amount resulting from the apportionments in paragraph 13.1 shall be paid to the proper party at closing (and, if owed by Purchaser, shall be in addition to the Purchase Price).

13.3 Installments for any real estate tax assessment or for any Condominium special assessment due after the closing are not a defect in, or objection to, title and shall be paid by Purchaser without abatement, set-off or credit against the Purchase Price and without recourse of any kind against Seller. However, the then current installment for any special real estate tax assessment or any Condominium special assessment shall be apportioned at closing in accordance with paragraph 13.1.

13.4 All conventional practices recommended by The Real Estate Board of New York, Inc. in its "Customs in Respect to Title Closings" shall be followed for closing apportionments unless inconsistent with the express provisions of this paragraph 13.

13.5 Any errors or omissions in computing apportionments at closing shall be corrected, and payment made to the proper party, promptly after receipt of a written notice containing a calculation of the amount owed, provided such notice is sent within a deadline of six (6) months after the Closing Date ("time being of the essence").

13.6 If Purchaser receives subsequent to closing a refund, savings or abatement in the Unit's real estate taxes for the fiscal tax year in which the closing is held, Purchaser shall be obligated as follows:

a. first, Purchaser shall pay the Costs and Expenses to obtain the refund, savings or abatement (including reimbursing Seller for any of these Costs and Expenses paid by Seller), but under no circumstance shall Purchaser's payment exceed the amount of the refund, savings or abatement; and

b. second, Purchaser shall appropriately apportion the balance between Seller and Purchaser in accordance with the respective portions of the tax year that each owns the Unit.

13.7 The utility service account in Seller's name with respect to the Unit for electric shall be terminated as of the day of closing. Purchaser shall be responsible to arrange obtaining electric service for the Unit from after the closing, including paying any deposit required by the utility provider. In the event Seller shall be billed by the utility provider for any electric service consumed by Purchaser from and after the closing, Purchaser shall pay or reimburse Seller, and Seller shall receive within five (5) business days after notice thereof is given to Purchaser accompanied by a copy of the bill from the utility provider, the amount so billed applicable to Purchaser's consumption.

13.8 If an amount owed after closing is not received by the applicable party within 10 days after giving a reasonably detailed notice thereof, then the party owed such payment shall be reimbursed by the delinquent party:

a. per diem interest on the amount owed at a rate equal to 10% a year, prorated for each day's delay following the end of said 10 day period to the end of the day prior to the date full payment of the amount owed is received by the applicable party (such payment is to compensate for lost opportunity of earnings on the amount owed), or expressed as a formula: amount owed x 10% ÷ 365 x number of days overdue; and

b. all Costs and Expenses of collection.

13.9 The respective obligations of Seller and Purchaser under paragraphs 13.1, 13.5, 13.6, 13.7 and 13.8 shall survive the closing.

14. **Closing Payments and Documents**

14.1 At closing:

a. Purchaser shall pay Seller the Balance of the Purchase Price in the amount stated in paragraph 2.1 and in the manner described in paragraphs 10.2 and 10.3;

b. Purchaser shall pay Purchaser's closing costs as set forth in paragraph 12;

c. the net closing apportionments shall be paid to the appropriate party in accordance with paragraph 13;

d. Seller and Purchaser shall sign in recordable form (in duplicate) and deliver the then current forms for the New York City and New York State transfer tax returns, the New York State equalization and assessment form applicable to this transaction and the New York City Smoke Detecting (Alarm) Device Affidavit;

e. Purchaser shall deliver the required checks in the proper amounts and to the proper payees of such New York City and New York State transfer taxes;

f. if Purchaser is obtaining mortgage financing:

(f-1) Purchaser shall pay, sign and deliver all amounts, instruments and documents as required by Purchaser's mortgage lender in order to close the mortgage loan simultaneously with the closing of title hereunder; and

(f-2) Purchaser shall sign and deliver an appropriate affidavit for exemption from, abatement of and/or credit against the mortgage recording tax as a result of an assignment of an existing mortgage or the mortgage tax credit under Real Property Law Section 339-ee or otherwise (the foregoing notwithstanding, Seller may, at Seller's option, sign in recordable form and deliver said affidavit; however, regardless of who signs the affidavit, Purchaser shall pay Seller the amount of Purchaser's available savings in the mortgage recording tax as provided in paragraph 12.2(a)(a-2);

g. Purchaser shall sign in recordable form (in triplicate) and deliver the Unit Owner's Power of Attorney substantially in the form reproduced in the Plan;

h. Seller and Purchaser shall sign in recordable form, and Seller shall deliver, Seller's standard Bargain and Sale Deed (**"Deed"**) with covenant against grantor's acts, in proper statutory form for recording and containing the covenant required by Section 13, subdivision 5 of the Lien Law, whereby Seller transfers legal ownership (fee simple title) of the Unit to Purchaser (such Deed to be substantially in the form set forth in Part II of the Plan);

i. Seller shall deliver a release and UCC-3 Termination Statement or other appropriate instrument (signed in recordable form) discharging the Unit and its contents from any mortgage lien and security interest in the "Personal Property" (defined in paragraph 17.1), other than the lien of any mortgage loan Purchaser obtains (Purchaser shall pay all governmental fees and charges, and title company service charge, to record and file such instruments);

j. Seller shall deliver an affidavit, signed in recordable form, stating that the Unit is not a "multiple dwelling" as defined in applicable laws;

k. Seller shall deliver to Purchaser a certification of non-foreign status signed by Seller as required by the applicable provisions of the federal income tax code and regulations;

l. Seller shall sign and deliver to Purchaser's title insurer such title affidavit and other evidence as said title insurer may reasonably require in order to omit from its title insurance policy all exceptions for judgments, bankruptcies or other returns against Seller and persons or entities whose names are the same as, or are similar to, Seller's name; and Purchaser shall likewise sign and deliver such title affidavit and other evidence as said title insurer may reasonably require to omit from its fee or mortgage title insurance policy all such exceptions;

m. Purchaser shall deliver to Purchaser's title insurer certified or non-certified checks of Purchaser (as directed), in such amounts and to such payees, as said title insurer may require in connection with any escrow to be held and applied by the title insurer for payment of the next due real estate taxes with respect to the Unit (if and as required by Purchaser's title insurer);

n. Seller shall deliver to Purchaser all applicable unexpired and transferable warranties or undertakings of contractors, suppliers and

manufacturers relative to the Personal Property included in this purchase and sale;

o. Seller shall deliver to Purchaser a statement by the Condominium Board or its Managing Agent as to the status of payment of Common Charges and any special assessments for the Unit (such statement will be sufficient for apportioning these items under paragraphs 13.1 and 13.3);

p. Seller shall deliver to Purchaser a certificate from the Condominium Board's insurer of the Property showing Purchaser and (if Purchaser is obtaining a mortgage loan) Purchaser's mortgage lender as additional insured parties under the Board's master policy;

q. Seller shall deliver a copy of the amended or new Certificate of Occupancy authorizing use of the Unit for the purpose set forth in the Plan (e.g., for dwelling purposes and any home occupation allowed by law, in the case of a Residential Unit); and

r. Seller shall deliver to Purchaser all keys to the Unit and any mailbox or (at Seller's option) such keys shall be given to Building's superintendent or managing agent for delivery to Purchaser.

14.2 The following documents and checks described in paragraph 14.1 shall be delivered to Purchaser's title insurer (or, if none, to Seller's attorney) for recording or submission to the New York City Register's Office of the County of New York: the New York City and State transfer tax returns and checks, the New York State equalization and assessment form, the New York City Smoke Detector Affidavit, the Deed, the mortgage lien release and the UCC-3 Termination Statement (if applicable), the Unit Owner's Power of Attorney and the multiple dwelling affidavit. After being recorded, the Deed and the mortgage lien release and said UCC-3 (if any) shall be returned to Purchaser and one of the three originals of the Unit Owner's Power of Attorney shall be returned to Seller and the other two originals to the Board.

14.3 Seller's covenant in the Deed is for Purchaser's personal benefit and shall not inure to the benefit of Purchaser's successors or subrogees (including Purchaser's title insurer). Purchaser must first look to Purchaser's title insurer before seeking recourse against Seller for recovery on any Claim based upon a breach of such covenant. Purchaser agrees that Seller's liability will be limited to any loss or damage not covered by such title insurance. In the event that Purchaser elects not to purchase title insurance, then Seller's liability shall be limited to any loss or damage that would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any title policy or marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any other unit of the Condominium shall be conclusive evidence of the title insurance coverage that was available to Purchaser. This provision shall survive the closing.

14.4 Purchaser's payment of the Balance of the Purchase Price and acceptance of the Deed and shall constitute Purchaser's recognition and agreement that Seller has satisfactorily performed those obligations stated in this Agreement, the Plan and any Amendments thereto to be performed by Seller to and through closing. This, however, shall not excuse Seller from performing those obligations (if any) expressly stated in this Agreement, the Plan or Amendments to be performed subsequent to the closing, nor reduce or otherwise abridge any of Purchaser's rights under Article 23-A of the General Business Law, the Plan or Part 20 of the regulations issued by the Department of Law.

14.5 The exact name used by Purchaser for signing on the first page of this Agreement shall be used in the closing documents described in this paragraph 14 (including in the City and State transfer tax returns, the State equalization and assessment form, the Unit Owner's Power of Attorney and the Deed).

15. **Possession**

15.1 At closing, Seller shall deliver possession of the Unit to Purchaser vacant and free of all leases, occupants and rights of others to possession. Seller shall not enter into a lease or other occupancy agreement for the Unit with a third person unless this Agreement is canceled or terminated.

15.2 Prior to closing of title, Purchaser shall not be entitled to, and (unless Seller agrees to give Purchaser an Interim Lease, which Seller is not obligated to give) Purchaser shall not, lease or occupy the Unit, or store Purchaser's household furniture, furnishings, belongings or other items in the Unit, or paint or otherwise decorate, or make any improvements or additions to the Unit or any portion thereof. Any violation of this provision shall be a material default of Purchaser's obligations entitling Seller to cancel this Agreement and receive and retain as liquidated damages the Deposit paid by Purchaser hereunder and other amounts specified in paragraph 22.

16. **State of Title**

16.1 Seller shall convey, and Purchaser shall accept, title to the Unit subject only to:

a. the encumbrances ("**Permitted Encumbrances**") listed in EXHIBIT A to this Agreement; and

b. such other matters as: (b-1) either (at Seller's option) any of the five (5) title insurers

comprising the Title Insurance Company or Purchaser's title insurer shall be willing, without additional cost to Purchaser beyond its regular rates, to omit as exceptions to coverage or to except with insurance against collection out of, or enforcement against, the Unit; and (b-2) shall be accepted by the Institutional Lender (if any) which has issued a Loan Commitment Letter to, and accepted by, Purchaser, except that if such acceptance by Purchaser's Institutional Lender is unreasonably withheld, delayed or conditioned, such acceptance shall be deemed to have been given.

The Deed shall be considered to be subject to the Permitted Encumbrances, even though they are not repeated or referred to in the Deed.

16.2 Any lien, encumbrance, charge or title condition not included in the Permitted Encumbrances (collectively, "**Title Exception**") shall not be considered an objection to title, and Seller shall not be obligated to cause Purchaser's title insurer to omit it from Purchaser's title insurance policy, if:

a. at or prior to the closing, the instrument required to remove it "of record" together with the requisite recording or filing fees, has been delivered to either (at Seller's option): (a-1) any of the five (5) title insurers comprising the Title Insurance Company for recording in the proper office, and a copy of said instrument is delivered at closing to the representative of Purchaser's title insurer or Purchaser's attorney (or, if none, to such other person as Purchaser shall direct); or (a-2) Purchaser's title insurer; or

b. either (at Seller's option) any of the five (5) title insurers comprising the Title Insurance Company or Purchaser's title insurer is willing to insure Purchaser (at Purchaser's expense, but at its regular rate and without additional premium) against collection or enforcement of the Title Exception out of the Unit and is willing to insure the mortgage lien of Purchaser's Institutional Lender (if any) free and clear of any such Title Exception (it being agreed that Seller shall have the right, in lieu of payment and discharge of such Title Exception, to make such deposits and/or to give such assurances and/or to pay such special or additional premiums as the Title Insurance Company or (at Seller's option) Purchaser's title insurer may require in order to so insure); or

c. (in the case of a condition in the Unit that is a violation noted or issued by a governmental authority having jurisdiction) an architect or engineer designated by Seller certifies in writing to Purchaser that the condition causing the violation has been corrected and Seller undertakes in writing to Purchaser and Purchaser's title insurer and Institutional Lender (if any) to use reasonable, diligence and efforts to cause the violation to be removed of record (such agreement shall survive the closing), without escrowing any monies, provided only that such undertaking shall be reasonably acceptable to Purchaser's Institutional Lender (if any).

16.3 Any unpaid taxes and assessments, together with the interest and penalties thereon to a date not less than two (2) calendar days following the date of closing, and any other liens and encumbrances that Seller is obligated to pay and discharge or that are against corporations, estates or other persons in the chain of title, together with the cost of recording or filing any instruments necessary to discharge such liens and encumbrances of record, may be paid out of the proceeds of the monies payable at the closing if Seller delivers to Purchaser at the closing official bills for such taxes, assessments, interest and penalties and instruments in recordable form sufficient to discharge any such other liens and encumbrances of record. Upon request made on not less than two (2) business days' prior oral notice or three (3) business days' prior written notice before the closing, Purchaser shall provide at the closing separate checks for the foregoing payable to the order of the holder of any such lien, charge or encumbrance and otherwise complying with paragraphs 10.2.

16.4 At least ten (10) calendar days prior to the Closing Date, Seller's attorneys, Mandel Resnik Kaiser Moskowitz & Greenstein P.C., 220 East 42nd Street, New York, New York 10017, Attn: Alan L. Kazlow, Esq., or any other attorney designated by Seller in a notice to Purchaser, will receive from Purchaser or Purchaser's attorney written notice of any and all title objections. If Purchaser elects to obtain title insurance, then a copy of the title report and every continuation thereof issued by Purchaser's title agent or insurer will suffice in lieu of such notice. In such event, the title report also must be received by Seller's attorneys at least ten (10) calendar days prior to the Scheduled Closing Date and each continuation must be sent directly to said Seller's attorneys by Purchaser's title agent or insurer, or sent to said Seller's attorneys within two (2) business days after being received by Purchaser or Purchaser's attorney.

16.5 If Seller is required to postpone the closing to remove a title objection, Purchaser shall be at fault for such postponement if Purchaser fails to timely comply with paragraph 16.4 and the objectionable title condition existed at the time Purchaser is

required to send the title objection notice. However, Purchaser shall not be at fault if Purchaser or Purchaser's attorney timely sends Seller's designated attorneys a title report and every continuation in accordance with paragraph 16.4 and the objectionable title condition arises after such title report and any continuation are issued.

16.6 In the event Purchaser is at fault for the postponement of the closing, Purchaser shall pay Seller and (if applicable) Mandel Resnik Kaiser Moskowitz & Greenstein P.C. (or other applicable attorney designated by Seller) at closing the delinquent closing costs stated and/or calculated as provided in paragraph 12.3.

16.7 Purchaser is not required to obtain title insurance. If Purchaser elects to insure Purchaser's title to the Unit, Purchaser shall pay the title insurance premium. Purchaser has the right to obtain title insurance from any of the five (5) title insurers comprising the Title Insurance Company or from any other title insurer Purchaser prefers. However, if Purchaser chooses to order title insurance from another title insurer or through its agent and such other title insurer or agent raises one or more Title Exceptions that would be omitted by any of the five (5) title insurers comprising the Title Insurance Company as provided in paragraph 16.2, then Purchaser either (at Purchaser's option) shall take subject to such Title Exceptions (without abatement, set-off or credit against the Purchase Price, or escrowing any monies, and without recourse of any kind against Seller) or may procure title insurance from any of the five (5) title insurers comprising the Title Insurance Company (and thereby have title to the Unit insured free of such Title Exceptions).

16.8 If Purchaser's fee or mortgage title insurer or its agent requires documents and/or instruments to be prepared or produced or other work to be performed by Seller's attorneys that would not be required by any of the five (5) title insurers comprising the Title Insurance Company in order to omit one or more Title Exceptions or to insure against their collection out of or enforcement against the Unit, then at closing Purchaser shall reimburse Seller's designated attorneys (i.e., Mandel Resnik Kaiser Moskowitz & Greenstein P.C. or other attorney designated by Seller, as applicable) the sum of $350 for the services of Seller's attorneys to prepare or produce such documents and/or instruments and perform such other work, together with any title service charges in connection therewith.

NOTE: Because the title insurers comprising the Title Insurance Company are already familiar with title to the Unit, any title issues might be more easily resolved by obtaining title insurance from such title insurers (i.e., First American Title Insurance Company of New York, Attention Jeffrey Mitzner or Gail Heiner, telephone no. (212) 922-9700, Title No. NY-00029139NYNY-C-4001; Counsel Abstract, Inc., as agent for Ticor Title Insurance Company, Attention: Philip Narotzki, telephone no. (212) 315-2460, Title No. TAB02-00372M; Chicago Title Insurance Company, Attention Raymond Cohen, telephone no. (212) 880-1200, Title No. 3102-39000; Commonwealth Land Title Insurance Company, Attention Douglas Forsythe, telephone no. (212) 949-0100, Title No. NY021427; and Fidelity National Title Insurance Company of New York, Attention Alan Friedmann, telephone no. (212) 481-5858, Title No. 02-3706-6488NYM).

16.9 Notwithstanding any contrary provisions in this Agreement, express or implied, or any contrary rule of law or custom, if Seller shall be unable to convey the Unit in accordance with this Agreement (provided that Seller shall release, discharge or otherwise cure at or prior to closing any matter intentionally created by Seller in bad faith after the date hereof and any existing mortgage, unless this purchase and sale is subject to it) and if Purchaser elects not to complete this transaction without abatement, set-off or credit against the Purchase Price and without recourse of any kind against Seller, the sole obligation and liability of Seller shall be to pay Purchaser the Net Purchase Monies, together with the reasonable costs of the examination of title to, and departmental violation searches in respect of, this Agreement actually paid by Purchaser (the latter costs of title examination and seraches are collectively, "**Title Search Costs**"), and upon making such payment, this Agreement shall be deemed cancelled and of no further force or effect, and neither party shall have any further rights against, or obligations or liabilities to, the other party by reason of this Agreement, other than those indemnities, obligations and liabilities expressly stated to survive the cancellation of this Agreement. However, nothing contained in this paragraph 16.9 shall be construed to relieve Seller from Purchaser's remedy for specific performance under paragraph 23.3 due to a willful default.

17. Personal Property Included in Sale

17.1 This purchase and sale includes the kitchen and bathroom sinks, cabinets, appliances (including cooktop, oven, dishwasher and refrigerator), fixtures (including toilet, shower and/or tub and lighting) and other hardware (collectively, "**Personal Property**") as and to the extent set forth in the Plan (see the Plan for manufacturers and model numbers where applicable). The Personal Property will be new and the appliances and plumbing fixtures will be in working order at closing.

17.2 Seller shall have the right and discretion to make substitutions of equal or better quality, design and function for any Personal Property without

Purchaser's approval or consent, and without abatement, set-off or credit against the Purchase Price or recourse of any kind against Seller.

17.3 No portion of the Purchase Price is attributable to the Personal Property, which will be transferred to Purchaser without consideration at the closing. If the closing does not occur, Purchaser will not have any right or interest in, and may not acquire or purchase, the Personal Property.

17.4 Apart from the Personal Property, the Unit shall be purchased by Purchaser without furnishings or decorations. Purchaser acknowledges and agrees that:

a. furniture, floor coverings, wall coverings, furnishings and other decorations, finishes and treatments in or about any model and not expressly set forth in the Plan are for display purposes only and are not included in this purchase and sale; and

b. there will be no modifications or extras unless agreed to in writing by Seller.

18. Seller's Construction Obligations

18.1 Seller will newly construct and complete the Unit and rehabilitate and renovate the Building substantially in accordance with Seller's "Plans and Specifications" (as defined in paragraph 8.1) as such Plans and Specifications may be amended from time to time in accordance with the **"Construction Change Requirements"** set forth and defined in subsection Q-2.8 of Part I of the Plan. The quality of construction will meet or exceed any relevant specific standards required by any applicable building code and, if no such standard is required, the workmanship and materials will meet or exceed the standard of locally accepted building practices for substantially rehabilitated and renovated buildings located in the locale of the Property and containing building Facilities and amenities comparable to this Building (**"Building Construction Standard"**).

18.2 Purchaser shall accept title to the Unit without abatement, set-off or credit against the Purchase Price and without recourse of any kind against Seller subject to:

a. the Plans and Specifications and all amendments thereto made in accordance with the Construction Change Requirements;

b. any minor or insubstantial variations or discrepancies from the Plans and Specifications, whether caused by site conditions, construction or job requirements, customary construction allowances and variations or otherwise, provided (however) that all such variations shall comply with all applicable laws;

c. any minor or insubstantial variations or discrepancies between any floor plan of the Unit and the actual "Unit Layout" (defined in paragraph 18.3) or the actual size of any of the Unit's rooms, bathrooms, closets and other areas after completion of construction; and

d. any substitutions of Personal Property made in accordance with paragraph 17.2.

18.3 Purchaser understands and agrees as follows:

a. any floor plan of the Unit in the Plan or a brochure or elsewhere are based on construction drawings and are only approximations of its configuration, fenestration and dimensions (collectively, **"Unit Layout"**);

b. in accordance with customary practice, the square footage, dimensions and measurements shown are measured from points behind the walls enclosing the rooms within the Unit and thus exceed the Unit's usable floor area;

c. the actual Unit Layout may differ in minor respects from any floor plan or drawing due to changes: (c-1) required by the New York City Department of Buildings or other governmental authorities having jurisdiction; or (c-2) necessitated by site or other construction conditions; or (c-3) resulting from normal construction allowances and variations; and

d. the actual Unit Layout as constructed will govern and supersede any minor variation or discrepancy from any floor plan of the Unit.

18.4 The issuance of a permanent Certificate of Occupancy of the Building authorizing the use of the Unit for the purpose set forth in the Plan shall be presumptive evidence that Seller constructed and outfitted the Unit and rehabilitated, renovated, and equipped the Building in accordance with the Plan and the Plans and Specifications (as each of same may be amended). However, this does not excuse Seller from Seller's obligation to correct any **"Construction Defects"** in the Unit or the Common Elements, as defined and provided in the Plan and summarized in paragraph 18.5.

18.5 In accordance with the Plan, Seller's only obligations and liability for Construction Defects shall be as follows:

a. (in the case of a Unit) Seller shall correct any **"Patent Construction Defects"** (as defined in subsection 0-2.11.2 of Part I of the Plan) in the Unit that are listed in

Purchaser's Final Inspection Statement and to correct any **"Latent Construction Defects"** (as defined in such subsection O-2.11.2) in the Unit that are listed in a written notice signed by Purchaser and received by Seller within a deadline of three (3) calendar months following the date Purchaser closes title to the Unit; and

b. (in the case of Common Elements) Seller shall correct those Patent Construction Defects and Latent Construction Defects in the Common Elements that are listed in a reasonably detailed written notice signed by any Independent Board Member (**"Defect Notice"**) and received by Seller within a deadline of three (3) calendar months after the first election of the Independent Board Members, except:

(b-1) if the Construction Defect is in a portion of the Common Elements for which construction is completed during or after such three (3) month period, the Defect Notice must be received by Seller within a deadline of three (3) calendar months after completion of construction of such portion of the Common Elements; or

(b-2) if the Construction Defect is in a portion of the Common Elements that is within, encloses or affects only an Unsold Unit and can only be detected after the Unsold Unit is occupied, the Defect Notice must be received by Seller within a deadline of three (3) calendar months after the earlier of the occupancy or title closing with a purchaser of such Unsold Unit.

Time is of the essence as to all time periods stated above.

18.6 As a result, Seller shall have no obligation or liability for:

a. Patent Construction Defects in the Unit that are not listed in Purchaser's Final Inspection Statement and received by Seller prior to title closing; or

b. Patent and Latent Construction Defects in the Common Elements for which a written Defect Notice is not received by Seller within the applicable three (3) months deadline time period set forth above.

18.7 Seller shall be regarded as having satisfied Seller's obligation to correct Construction Defects in the Unit or the Common Elements if the corrective work is done in accordance with the Building Construction Standard as determined in the sole judgment of Seller's architect, engineer or contractor (who shall not be a principal of Seller).

18.8 Seller shall be excused, released and discharged from its obligations for Construction Defects in the Unit or the Common Elements if reasonable access thereto by Seller and any of the Agents, Employees and Contractors engaged by or on behalf of Seller to perform the corrective work is prevented and is not given within a deadline of thirty (30) calendar days after written notice is mailed or hand delivered to: (a) (in the case of the Unit) Purchaser, or (b) (in the case of the Common Elements) any Independent Board Member.

18.9 In accordance with the Plan, the following are not Construction Defects and shall not be corrected by Seller nor excuse Purchaser from Purchaser's obligations under this Agreement to pay the full Purchase Price (without abatement, set-off or credit and without recourse of any kind against Seller):

a. all **"Construction Changes"** (defined in subsection O-2.8 of Part I of the Plan) made in accordance with Construction Change Requirements;

b. all insubstantial variations from: the Plans and Specifications, the floor plan of the Unit or a description of the Building (including the Units and Common Elements) set forth in the Plan;

c. all variations necessitated by site conditions or job requirements, provided all Construction Change Requirements are met to the extent applicable;

d. all Construction Defects covered by assignable unexpired warranties or other undertakings (however denoted) from manufacturers, contractors, material suppliers or others which are assigned to, or benefit (without assignment), a Unit Owner or the Condominium Board;

e. any condition caused by normal use, wear, tear, deterioration, settlement or shifting; and

f. all insubstantial conditions or defects involving color, alignment, fit, noise, drafts, cracks, chips, scratches, breaks, warpage or other imperfections.

19. **Purchaser's Changes and Extras**

19.1 After this Agreement is fully executed and given to each party, Seller shall not be obligated to make any changes to the Plans and Specifications applicable to the Unit or provide any extras or upgrades that hereafter might be requested by Purchaser. Seller's refusal to make such changes or provide such extras or upgrades shall not excuse Purchaser from Purchaser's obligation to close title timely and without abatement, set-off or credit against the Purchase Price and without recourse of any kind against Seller.

19.2 All such changes, extras and upgrades requested by Purchaser and agreed to be made by Seller (collectively, **"Permitted Changes/Extras"**) shall not be binding on either party unless and until the terms thereof (including the additional amount to be paid, and when same is payable, by Purchaser) are set forth in writing signed and exchanged by Seller and Purchaser as part of this Agreement.

19.3 If Seller exercises good faith and the Permitted Changes/Extras are not completed prior to closing, or the Permitted Changes/Extras directly or indirectly delay completion of other construction items prior to the closing, then the closing of the title shall not be delayed by reason thereof and such non-completed work shall be included in Seller's punch list work on the "Final Inspection Statement" set forth in paragraph 20.2, provided only that the required Certificate of Occupancy of the Unit is issued and the condition of the Unit is reasonably acceptable to Purchaser's Institutional Lender (if any).

20. **Pre-Closing Inspection by Purchaser**

20.1 Until Seller notifies Purchaser in writing that construction of the Unit is sufficiently completed and ready for inspection, Purchaser and Purchaser's representatives (including architect, engineer, contractor, decorator and appraiser) shall not, nor have the right, to inspect or visit the Unit or Building or any portion thereof.

20.2 At least five (5) calendar days before title closing, Seller shall notify Purchaser in writing that construction of the Unit is sufficiently completed and is now ready for inspection. The inspection is to occur on a business day that falls within five (5) calendar days from the giving of such inspection notice, and during business hours, fixed by Seller. Seller will endeavor (but shall not be obligated) to fix such date and time as shall be mutually convenient to Seller and Purchaser. Purchaser and Purchaser's representatives (if any) are to inspect the Unit on such date and time fixed by Seller, accompanied by Seller's representative. At conclusion of the inspection, Purchaser shall complete, sign and deliver to Seller's representative the Final Inspection Statement (on the form annexed as EXHIBIT B to, and forming a part of, this Agreement) containing all items to be corrected and unfinished work, if any (collectively, **"punch list work"**).

20.3 Seller shall be obligated to correct or cause to be corrected any Personal Property (including kitchen appliances, Unit Equipment and plumbing and electrical fixtures) that are not in working order, provided same are listed on the Final Inspection Statement. Seller shall not, and shall not be required to, perform any punch list work that is not noted on the Final Inspection Statement. Purchaser shall close title and pay the full Purchase Price on the date fixed by Seller in accordance with this Agreement (all: without delay; without abatement, set-off or credit against the Purchase Price; and without escrowing monies) notwithstanding:

a. Purchaser's failure to arrange or attend the Unit inspection prior to title closing or to complete, sign and deliver the Final Inspection Statement; or

b. the existence of required punch list work not performed or completed (which Seller shall complete or correct in accordance with Seller's obligations under this Agreement), provided only that: (b-1) the Unit is covered by a temporary or permanent Certificate of Occupancy for the use set forth in the Plan, as required herein; (b-2) the Unit is substantially completed with an operable kitchen, bathroom and heating system; and (b-3) the Unit is substantially in broom clean condition (subject to the conditions to be corrected by the punch list work, if any).

20.4 Seller shall endeavor in good faith to complete all punch list work within thirty (30) calendar days after the Closing Date unless:

a. delayed due to Force Majeure (i.e., events or circumstances which may be beyond Seller's control), in which case such incomplete work shall be completed with reasonable diligence after the Force Majeure event or circumstance causing the delay ceases, but not more than ninety (90) calendar days after the Closing Date; or

b. one or more punch list items cannot with reasonable diligence be completed within such thirty (30) calendar day period, in which case the thirty (30) calendar day period shall be extended a reasonable period in order to permit such completion, but not more than ninety (90) calendar days after the Closing Date.

Seller's obligation to perform and complete the required punch list work in accordance with this Agreement shall survive title closing.

20.5 If Seller fails to complete the punch list work within the applicable time period set forth in paragraph 20.4, Purchaser's sole right and remedy shall be either:

a. to compel Seller to so do in a Lawsuit for specific performance; or

b. to perform or cause to be performed the incomplete work and recover from Seller the reasonable costs of such work actually incurred and paid to unrelated third parties, provided and on condition that:

(b-1) Purchaser shall give Seller not less than seven (7) business days' prior written notice of Purchaser's intention to do the work and recover such reasonable costs from Seller;

(b-2) Seller fails to give Purchaser, before the lapse of such seven (7) business days period, notice that Seller will complete the work; or (if Seller timely gives such notice) Seller fails to complete the work within thirty (30) calendar days after receiving such notice from Purchaser; and

(b-3) Purchaser shall submit to Seller a reasonably detailed explanation of the costs for which reimbursement is sought together with copies of reasonably detailed bills from said third parties who performed the work or provided materials.

In no event shall Seller be liable for any loss, damage or other Cost and Expense incurred by reason of Seller's failure or default. The provisions of this paragraph 20.5 shall survive the closing of title.

20.6 Purchaser's right to inspect does NOT entitle Purchaser or Purchaser's representatives to (and Purchaser and Purchaser's representatives shall NOT): (a) probe, penetrate or disturb the surfaces of the walls, floors or ceilings of the Unit or any portion of the Building; or (b) make any alterations or changes to the Unit; or (c) store any furniture or other belongings in the Unit or elsewhere on the Building prior to closing.

21. Risk of Loss

21.1 The risk of damage or destruction ("**Loss**") to the Unit and Personal Property during the course of construction and until the closing is assumed by Seller on the following terms, unless the Loss is caused by Purchaser or Purchaser's representatives (in which case the provisions of paragraph 21.5 shall apply).

21.2 If Seller assumes the risk of Loss, Seller shall have the exclusive right to elect either; (a) to repair or restore the Loss; or (b) to cancel this Agreement and refund the Net Purchase Monies to Purchaser, unless the First Closing of a Residential Unit has occurred and the Condominium Board is obligated to repair or restore the Loss. Seller will give Purchaser notice ("**Loss Notice**") of the Loss and of Seller's election or the Board's obligation (as applicable) within 30 calendar days after the Loss occurs.

21.3 If Seller elects to repair or restore the Loss or if the Condominium Board is obligated to do so, such repair or restoration is to be completed by the later to occur of the date fixed by Seller for closing in accordance with paragraph 11.1 or 90 calendar days from the date the Loss occurs ("**Restoration Period**"). The closing shall not occur until the Unit and Personal Property are in the condition required for closing as provided in paragraph 18.

21.4 If Seller fails to give the Loss Notice within the 30 calendar day period specified in paragraph 21.2 or if the repair or restoration is not completed within the Restoration Period in accordance with paragraph 21.3, Purchaser's sole right and remedy will be to cancel this Agreement on notice to Seller given within a deadline of seven (7) calendar days thereafter ("time being of the essence"), failing which Purchaser shall lose such right to cancel and shall remain bound by this Agreement. If Purchaser timely elects to cancel, the Net Purchase Monies will be refunded to Purchaser with reasonable promptness.

21.5 If the Loss occurs after Purchaser is given possession of the Unit under an Interim Lease or otherwise, or the Loss is caused by Purchaser or a representative of Purchaser (including an architect, engineer, contractor, decorator or agent, or an employee of any of the foregoing), Purchaser shall assume the risk of Loss and the following shall apply:

a. Purchaser shall be obligated: (a-1) to accept title to the Unit at closing subject to such Loss; and (a-2) to pay the full Purchase Price without abatement, set-off or credit and without recourse of any kind against Seller;

b. Purchaser shall not be entitled to postpone the closing by reason of such Loss and may not commence work to restore the Loss until after title closes (unless Purchaser is in possession under an Interim Lease or otherwise); and

c. if Purchaser fails to comply with this paragraph 21.5, such failure shall constitute a material default by Purchaser entitling Seller to cancel this Agreement and receive and

retain the Deposit and other amounts specified in paragraph 22 as liquidated damages.

22. **Purchaser's Events of Default; Seller's Remedies**

22.1 Purchaser shall be in default upon the occurrence of any of the following **"Events of Default"** (individually, **"Event of Default"** or **"default"**):

a. Purchaser's failure to timely and properly pay the full amount of the Balance of the Purchase Price, as provided in paragraphs 2.1 and 10.2;

b. Purchaser's failure to pay any of Purchaser's closing costs as required in paragraph 12;

c. Purchaser's failure to pay the net closing apportionments, if in favor of Seller, as required in paragraph 13;

d. Purchaser's failure to deliver any of the closing documents (properly completed and signed in recordable form, where required) in accordance with paragraph 14.1;

e. the dishonor or failure of collection of Purchaser's check or instrument (**"failed instrument"**) in payment of the Deposit or any other sum paid by Purchaser under this Agreement;

f. Purchaser's failure to pay, perform or observe any of Purchaser's other obligations in this Agreement or any other Purchase and Sale Agreement between Seller and Purchaser for another unit of the Condominium, or any of Purchaser's representations in this Agreement or such other Purchase and Sale Agreement shall not be truthful or correct in all respects (the parties intend and agree that a default by Purchaser under this Agreement or such other Purchase and Sale Agreement shall be a default under both of said Agreements and Purchaser shall have only one grace period (if any) to cure the default as set forth in the applicable Purchase and Sale Agreement under which Purchaser is initially in default);

g. Purchaser advertises or publicizes in any media (including newspaper, magazine, television, radio, internet or other print, broadcast, electronic or other form of public communication) the availability of the Unit for sale or lease prior to the Closing of Title; or

h. if Purchaser is given an Interim Lease for the Unit and defaults in making any payment or in observing or performing any obligation thereunder, such default shall become a default under this Agreement if a final judgment or order is issued granting Seller possession of the Unit by a court of competent jurisdiction or Purchaser vacates or abandons the Unit (in such case, Purchaser shall have only the single grace period stated in the Interim Lease to cure such default).

22.2 Upon the occurrence of an Event of Default (other than a default under paragraph 22.1.e), Seller shall have the right (in Seller's sole discretion):

a. to cancel this Agreement and receive and retain as liquidated damages, the Net Purchase Monies paid by Purchaser hereunder, and recover from Purchaser the following Costs and Expenses, if and to the extent applicable and not covered by any Special Work Payment given by Purchaser to Seller: (a-1) the Costs and Expenses of all Permitted Changes/Extras together with the Costs and Expenses of removing any Permitted Changes/Extras in order to complete the Unit in accordance with Seller's original Plans and Specifications for the standard Unit; and (a-2) the Costs and Expenses to enforce this provision and collect the foregoing amounts; provided, however, there will be no limit on Seller's remedies for a breach of Purchaser's representation in paragraph 30 ("Broker"); or

b. (in the case of a default NOT involving the payment of the Balance of the Purchase Price) to proceed with the closing without prejudicing or impairing Seller's right to recover from Purchaser all Costs and Expenses to which Seller is entitled by reason of Purchaser's default, together with Seller's Costs and Expenses of collection thereof; however, if Purchaser fails or refuses to close title, this provision shall NOT permit Seller to compel Purchaser to specifically perform Purchaser's obligation to pay the Balance of the Purchase Price.

22.3 Seller will send Purchaser written notice of the remedy Seller selects. If Seller selects the remedy in paragraph 22.2.a *[to cancel and retain the Net Purchase Monies and recover said other Costs and Expenses, if applicable]*, Purchaser will have a deadline of thirty (30) calendar days from giving of Seller's cancellation notice to cure the specified default, except Purchaser shall not be afforded any additional cure period for a default under paragraph 22.1.f, g or h. "Time is of the essence" for Purchaser to cure the default within such thirty (30) calendar day deadline period. This means that if Purchaser fails to timely do so, Purchaser will lose the Net Purchase Monies and (if applicable) said Costs and Expenses with respect to Permitted Changes/ Extras and of

enforcement and collection set forth in paragraph 22.2.a (which is the limit on the amount Seller may recover and will be regarded as full settlement of all potential Costs and Expenses occasioned by Purchaser's default). Purchaser agrees that Seller's actual damages would be impossible to ascertain and that Seller's retention of the Net Purchase Monies and (if applicable) said Costs and Expenses with respect to Permitted Changes/ Extras and of enforcement and collection would be fair and reasonable compensation to Seller under the circumstances. In the event of such cancellation, any remaining Net Refundable Special Work Payment, after being applied to pay Sponsor the foregoing amounts, shall be returned to Purchaser.

22.4 If Seller selects the remedy in subparagraph 22.2.b [*to proceed with the closing without prejudice to Seller's rights to recover lawful amounts from Purchaser due to Purchaser's default*], Purchaser shall also be obligated to reimburse Seller for Seller's Costs and Expenses of collection.

22.5 In case of Purchaser's default under paragraph 22.1.e, Seller shall have the following exclusive option:

a. to regard this Agreement as null and void, and of no force or effect, in which case Seller shall cause the failed instrument to be returned to Purchaser together with (a-1) any sums that may have been collected under a separate instrument (if any) given in payment of the Deposit; and (a-2) any Net Refundable Special Work Payment (if and to the extent applicable); upon such refund being made, Seller and Purchaser shall have no further obligation or liability to each other under this Agreement or the Plan and Seller shall be free to sell the Unit without accountability to Purchaser; or

b. to regard the failed instrument as an Event of Default, in which case this Agreement shall remain in force and effect and Purchaser shall have a deadline of thirty (30) calendar days from the giving of notice to Purchaser of Seller's election to cancel this Agreement within which: (b-1) Purchaser must replace the failed instrument with Purchaser's good certified check or a cashier's or official bank check, unendorsed, drawn on and payable by a member bank of New York Clearing House Association (or an Institutional Lender maintaining banking facilities in New York City), made payable directly to Escrowee, in the amount of the failed instrument; and (b-2) Purchaser must reimburse Seller for all Costs or Expenses incurred in connection with such failed instrument (including bank charges and reasonable attorneys' fees and disbursements).

22.6 *Time is of the essence* for Purchaser to cure such default under paragraph 22.5.b within said thirty (30) calendar day deadline period, failing which:

a. this Agreement shall be canceled and of no further force or effect;

b. Escrowee shall immediately deliver the failed instrument to Seller together with any sums collected under any other instrument given in payment of the Deposit or for Special Work; and

c. Seller shall have the right to sue on and collect the failed instrument and to recover and retain as liquidated damages all sums received from Escrowee and all sums as may be recovered and collected on such failed instrument, but not more than a sum equal to the aggregate of 10% of the Purchase Price, plus the Costs and Expenses actually paid or incurred for any Special Work and to restore the Unit to its condition existing before undertaking the Special Work, plus the Costs and Expenses of collection thereof.

Purchaser agrees that Seller's actual damages would be impossible to ascertain and that Seller's retention and recovery of the foregoing sums under clause "c" above would be fair and reasonable under the circumstances.

22.7 The provisions of paragraphs 22.2 through 22.6 shall survive the closing or the cancellation or termination of this Agreement (as applicable).

23. Purchaser's Remedies on Seller's Default or Inability to Perform

23.1 If Seller defaults in paying, performing or complying with any of Seller's agreements, obligations, representations or conditions in this Agreement, whether at or prior to closing, Purchaser shall give Seller written notice of the default.

23.2 Seller shall be allowed a grace period to cure the default. The grace period shall start from Seller's actual receipt of the default notice and shall run for thirty (30) calendar days thereafter or (if the default is not reasonably capable of being cured within thirty (30) calendar days) such longer period as is reasonable to cure the default, but in no event more than ninety (90) calendar days.

23.3 If Seller fails to cure the default within the grace period, Purchaser's only legal and equitable rights and remedies shall be to require Seller to specifically perform Seller's obligations (other than those Seller is unable in good faith to perform and subject to paragraph 23.5) or to cancel this

Agreement and recover the Net Purchase Monies paid by Purchaser and (if canceled pursuant to paragraph 16.9) Purchaser's Title Search Costs (if any).

23.4 In the event Purchaser elects to cancel, the Net Purchase Monies paid by Purchase and (if canceled pursuant to paragraph 16.9) Purchaser's Title Search Costs (if any) will be refunded to Purchaser within thirty (30) calendar days after Seller and Escrowee receive Purchaser's cancellation notice. Purchaser shall in no event have recourse of any kind against Seller for any loss, damage or other Cost and Expense incurred by Purchaser beyond recovery of said Net Purchase Monies and (if applicable) Title Search Costs by reason of Seller's uncured default or good faith inability to perform. Upon the payment of the said Net Purchase Monies and (if applicable) Title Search Costs, the parties shall have no further liability or obligation to each other under this Agreement, except that the parties shall remain liable for those indemnities, obligations and liabilities expressly stated to survive the cancellation or termination of this Agreement.

23.5 Nothing contained herein will excuse Seller from a willful default for intentionally causing a Title Exception to frustrate this sale in bad faith, nor excuse Seller from obtaining a release of lien from any mortgage on the Unit (other than a mortgage Purchaser obtains to purchase the Unit).

23.6 If at closing Seller shall be unable in good faith to perform Seller's obligations or satisfy any condition applicable to Seller in accordance with this Agreement or title to the Unit shall not be in accordance with this Agreement, Purchaser's sole right and remedy shall be either (at Purchaser's option):

a. to fully pay, perform and comply with Purchaser's agreements and obligations under this Agreement and to accept such title to the Unit as Seller is able to convey, without abatement, set-off or credit against the Purchase Price or provision for escrowing monies and without recourse of any kind against Seller; or

b. to cancel this Agreement and recover said Net Purchase Monies and (if canceled pursuant to paragraph 16.9) Purchaser's Title Search Costs (if any), which is the limit on the amount Purchaser may recover, regardless of any loss, damage or other Cost and Expense Purchaser may have incurred (except the parties shall remain liable for those indemnities, obligations and liabilities expressly stated to survive the cancellation or termination of this Agreement).

23.7 Purchaser shall elect either such right and remedy in the preceding paragraph 23.6 in writing given within five (5) business days after Seller gives Purchaser notice of such inability, but in no event later than the Closing Date fixed by Seller in accordance with this Agreement. If Purchaser fails to timely make such election, then Purchaser shall be deemed to conclusively have elected to proceed with closing as provided in paragraph 23.6.a.

23.8 Seller shall be excused from performing Seller's agreements and obligations during any period when Seller is prevented from performing them due to Force Majeure. Seller's time to perform such agreements and obligations shall be extended for a period equal in length to the period during which Seller's performance is excused, but this shall not extend the 90 day period set forth in paragraph 22.2 or any other similar outside period or date expressly provided in this Agreement within which Seller must perform.

24. Claims Released On Cancellation and Disbursement of Purchase Monies

24.1 Upon cancellation of this Agreement and payment of the Purchase Monies to the proper party pursuant to the provision of this Agreement and (if applicable) the payment to Seller for the Costs and Expenses in respect of Permitted Changes/ Extras and of enforcement and collection, or the payment to Purchaser of Purchaser's Title Search Costs (if applicable), the rights, obligations and liabilities of the parties under this Agreement, the Plan and Amendments shall end and be void, and all Claims for any other Costs and Expenses each party may have the right to assert hereunder against the other party and such other party's heirs, distributees, successors, assigns, employees, agents and attorneys, shall be released and discharged, except that the parties shall remain liable for, and shall not be released or discharged from, those indemnities, obligations and liabilities expressly stated to survive the cancellation or termination of this Agreement.

25. Escrow Provisions

25.1 Seller agrees to comply with the escrow and trust fund provisions of General Business Law Sections 352-e(2-b) and 352-h and Lien Law Section 71-a(3) of the State of New York and Part 20 of the regulations issued by the Attorney General, and all funds paid by Purchaser will be handled in accordance with said statute and regulations. Any purported waiver of the escrow and trust fund provisions of the Attorney General's regulations is void. The escrow and trust fund provisions of the Attorney General's regulations shall prevail over any conflicting or inconsistent provisions in the Plan, as amended, or this Agreement. Pursuant to such

Section 71-a(3) of the Lien Law: **YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.**

25.2 All Purchase Monies paid by Purchaser prior to closing on account of the Purchase Price (other than any Special Work Payment) will be deposited into a segregated subaccount of an attorney's master escrow account ("**escrow account**") of Mandel Resnik Kaiser Moskowitz & Greenstein P.C. ("**Escrowee**") maintained at Citibank Private Bank ("**Depository**"), at its office located at 153 East 53rd Street, New York, New York 10022. Any Special Work Payment will not be held in escrow and shall be expended by Seller to pay for such Special Work.

25.3 The escrow account number is [redacted] and the name of the escrow account is "Mandel Resnik & Kaiser P.C. Attorney Master".

25.4 Principals of Escrowee are the sole signatories authorized to withdraw monies from the escrow account as disclosed in the Plan.

25.5 The escrow account will bear interest at a fluctuating rate fixed from time to time by the Depository for its regular customers of "day of deposit to day of withdrawal" accounts. The escrow account is not an Interest on Lawyers Account established pursuant to Judiciary Law Section 497.

25.6 No interest will be earned until the Deposit check is deposited with and collected by the Depository. Interest will not be earned after a withdrawal is made from the escrow account in anticipation of the closing. Such withdrawal might result in the loss of interest for up to one full month.

25.7 All amounts received from Purchaser prior to closing on account of the Purchase Price (other than any Special Work Payment), whether in the form of checks, drafts, money orders, wire transfers or other instruments that identify the payor, shall be deposited into a separate subaccount of the escrow account of Escrowee at the Depository. All instruments to be deposited into the escrow account shall be made payable to the Escrowee as provided in paragraph 10.2.a. Any instrument payable other than as required in paragraph 10.2.a, and which cannot be deposited into the escrow account, shall be returned to Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by the Escrowee. In the event of such return, the instrument shall be regarded not to have been delivered to Escrowee in violation of the provisions of this Agreement. The foregoing does not apply to an instrument that is dishonored or fails of collection. The Escrowee is authorized to deliver to Seller the dishonored or uncollected instrument and Seller will have the choice of remedies set forth in paragraph 22.5 (which includes suing on such dishonored or uncollected instrument or (at Seller's option) canceling this Agreement and returning the instrument to Purchaser without affording Purchaser a grace period to cure such default).

25.8 Purchaser shall sign and deliver to Sponsor's attorneys, Mandel Resnik Kaiser Moskowitz & Greenstein P.C., at 220 East 42nd Street, New York, New York 10019, Attn: Alan L. Kazlow, Esq. (or as otherwise directed in writing by said attorney) this Agreement together with the Purchase Application and appropriate IRS form W-8 or W-9 (if applicable) as set forth in paragraph 10.1 and the check for the Deposit. Within five (5) business days after this Agreement is fully signed by Seller and Purchaser, the check for the Deposit will be deposited into said sub-account of the escrow account. In the event Seller does not sign this Agreement within ten (10) business days after this Agreement and the check for the Deposit are received by Seller or Seller's attorney as provided in this paragraph 25.8, then the Deposit check will be deposited in said sub-account of the escrow account without prejudice to Seller's right to reject this Agreement as provided in paragraph 29.4.

25.9 After Escrowee receives the check for the Deposit and IRS form W-8 or W-9 (if and as applicable), Escrowee is to send Purchaser by ordinary mail written notice ("**Deposit Notice**") of the deposit of the Deposit check for collection in said sub-account of the escrow account at the Depository. The Deposit Notice will also state the individual account number for the Deposit and the interest rate in effect on or about the date of deposit. If the requisite form IRS W-8 or W-9 does not accompany the check for the Deposit, then such check shall be deposited in an IOLA account of Escrowee at the Depository pending receipt thereof (no interest will be paid to Purchaser while the Deposit is in the IOLA account).

25.10 The Deposit Notice is to be sent to Purchaser within ten (10) business days after Purchaser "tenders" (defined below) the Deposit check with this Agreement. The term "**tenders**" means the date delivered by hand or five (5) calendar

days after being sent by mail. If the Deposit check is received by Seller or Seller's Selling Agent, it will be delivered promptly to Escrowee in order that the Deposit Notice may timely be sent to Purchaser.

25.11 If Purchaser does not receive the Deposit Notice within fifteen (15) business days after Purchaser tenders the Deposit check in accordance with paragraph 25.8, Purchaser's sole remedy will be either (at Purchaser's option):

a. to cancel this Agreement and recover the Net Purchase Monies paid by Purchaser; or

b. to apply to the Attorney General for relief.

Purchaser must elect to cancel in writing sent to Seller within deadline of ninety (90) calendar days after Purchaser tenders the Deposit check, but in no event later than the closing. Purchaser will be regarded as having conclusively waived Purchaser's right to cancel in the event Purchaser does not send the cancellation notice in such deadline period (*"time being of the essence"*). Purchaser understands and agrees that Purchaser will not have the right to cancel this Agreement or recover Purchaser's Net Purchase Monies where proof satisfactory to the Attorney General is submitted establishing that the Deposit check was timely deposited and the Deposit Notice was timely mailed to Purchaser in accordance with the Attorney General's regulations.

25.12 Escrowee will hold and disburse the monies deposited into the escrow account and collected by the Depository (**"Escrow Fund"**) in accordance with these escrow provisions and those in the Escrow Agreement (**"Escrow Agreement"**) between Seller and Escrowee (a copy of such Escrow Agreement is set forth in Part II of the Plan) as well as the applicable regulations of the Attorney General pertaining to the release of escrowed funds. The Escrow Fund is regarded as Purchaser's property until disbursed in accordance with the escrow provisions of this Agreement and the Escrow Agreement and the escrow and trust fund regulations of the Attorney General. The Escrow Fund is not regarded as Seller's or Escrowee's property and shall not be part of the estate of Seller or Escrowee upon any death, dissolution, bankruptcy or incapacity.

25.13 At closing, Escrowee is hereby authorized and directed to pay the Escrow Fund to Seller and to instruct the Depository to pay the interest to Purchaser. Purchaser will allow 30 days to receive the interest.

25.14 If Purchaser timely elects to rescind or cancel this Agreement in accordance with a right (if any) given Purchaser under this Agreement or the Plan or an Amendment to the Plan to rescind or cancel, Escrowee will release the Escrow Fund and any interest to Purchaser, and Seller will not object to such release.

25.15 If the closing does not occur and Seller demands that the Escrow Fund and any interest be paid to Seller based upon Purchaser's uncured default or otherwise, the following will apply:

a. Escrowee will give Purchaser not fewer than ten (10) business days' written notice of Seller's demand for payment of the Escrow Fund and interest;

b. at the expiration of such ten (10) business days, Escrowee will pay the Escrow Fund and interest to Seller unless prior to making the payment: (b-1) Escrowee receives written notice from Purchaser stating either that Purchaser objects to the release of the Escrow Fund and interest to Seller and the basis for Purchaser's objection or that Purchaser has made application (**"Dispute Resolution Application"** or **"Application"**) to the Attorney General pursuant to the dispute resolution provisions contained in the Attorney General's regulations; or (b-2) Escrowee is served with a judgment or order (**"Restraining Order"**) of a court of competent jurisdiction restraining Escrowee from making such payment;

c. Escrowee will continue to hold the Escrow Fund and interest for as long as required by any interim directive issued by the Attorney General or a Restraining Order (whichever is applicable);

d. if the Attorney General denies the Dispute Resolution Application or the Restraining Order is vacated (as applicable), Escrowee will pay the Escrow Fund and any interest to Seller; and

e. if the Attorney General grants the Dispute Resolution Application or the Restraining Order is not vacated (as applicable), Escrowee will pay the Escrow Fund and any earned interest in accordance with: (e-1) (in the case of a Dispute Resolution Application) a determination of the Attorney General served on Escrowee; or (e-2) (in the case of a Restraining Order) a judgment or order of a court of competent jurisdiction served on Escrowee.

25.16 In the event of a dispute, the following will apply:

a. Seller must, and Purchaser or the Escrowee may, submit a Dispute Resolution Application to the Attorney General for a determination on the disposition of the Escrow Fund and interest (a form for this

purpose is available from the Department of Law);

b. the party making the Dispute Resolution Application shall contemporaneously send to all other parties a copy of such Application;

c. instead of applying to the Attorney General: (c-1) Purchaser may initiate a Lawsuit to resolve the dispute; or (c-2) the Escrowee will have the right of a stakeholder either to continue to hold the Escrow Fund and any interest or to deposit same or the disputed portion into court as permitted by law;

d. pending the determination of the Attorney General to grant or deny the Application, Seller, Purchaser and the Escrowee will abide by any interim directive issued by the Attorney General;

e. if the Application permitting release of funds is granted, the Escrow Fund and any earned interest will be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted;

f. if the Application is denied, Escrowee will either deposit the Escrow Fund and any interest or the disputed amount (as applicable) into court as permitted by law or continue to hold and disburse same in accordance with: (f-1) a written direction signed by both Seller and Purchaser; or (f-2) a judgment or order of a court of competent jurisdiction served on Escrowee;

g. in no event will Escrowee release the Escrow Fund and interest in dispute unless paid into court or until the dispute is finally resolved either by written agreement signed by Seller and Purchaser, or a final, non-appealable determination of the Attorney General or a final, non-appealable judgment or order of a court of competent jurisdiction; and

h. in the event Escrowee is uncertain as to Escrowee's duties or doubts the genuineness of any document or signature, Escrowee may refrain from taking any action and continue to hold the Escrow Fund and interest until the uncertainty or genuineness is resolved or deposit same (or the amount in question) in court.

25.17 Escrowee shall maintain and make available to the Attorney General all records concerning the escrow account pursuant to the terms of the Escrow Agreement.

25.18 Seller and Seller's agents, including Seller's Selling Agent, shall immediately deliver to Escrowee all deposits and payments received from Purchaser by Seller or Seller's Selling Agent prior to closing on account of the Purchase Price (other than any Special Work Payment as aforesaid).

25.19 Seller shall not interfere with Escrowee's performance of Escrowee's fiduciary duties and compliance with the Attorney General's regulations.

25.20 Seller will have the right to terminate the duties of the Escrowee on written notice to Escrowee and Escrowee will have the right to resign on written notice to Seller. In either case, Seller will have the exclusive right to designate a new escrow agent to replace Escrowee. Such termination or resignation will not take effect, and Escrowee will continue to be bound by these escrow provisions, until an Amendment to the Plan is filed disclosing the identity of the new escrow agent. Upon the filing of such Amendment, Escrowee will deliver to the new escrow agent the Escrow Fund and any interest together with all agreements and documents maintained by Escrowee relating to the escrow account.

25.21 These escrow provisions will be binding upon the new escrow agent with regard to events occurring on and after the date the appointment of the new escrow agent takes effect.

25.22 Escrowee, Seller and Seller's Selling Agent will not be liable for the amount collected on checks given in payment of the Deposit or any other Purchase Monies, or for the amount of interest earned or collected on the Escrow Fund, or for any losses resulting from the failure of the Depository. The Escrow Fund will be maintained in an account insured by the Federal Deposit Insurance Corporation for the maximum amount insured by applicable federal law.

25.23 Escrowee may represent Seller in any Lawsuit, whether or not related to this transaction and irrespective of Escrowee being in possession of the Escrow Fund.

25.24 Seller will compensate Escrowee for acting as such. Seller shall also be responsible for all administration costs for the escrow account.

25.25 Upon the deposit of the Deposit check into Escrowee's escrow account at the Depository, Escrowee is considered to have accepted and agreed to be bound by, and may rely upon and is to benefit from, these escrow provisions.

25.26 Purchaser understands and agrees that:

a. Seller is required by the Attorney General's regulations to deposit the Deposit check within the ten (10) business days period stated in paragraph 25.8; and

b. such deposit of the Deposit check shall not constitute, nor be construed to constitute,

Seller's acceptance of this Agreement nor prejudice Seller's right to reject this Agreement.

26. **Effectiveness Amendment Requirement**

26.1 In accordance with the Plan, Seller's obligations under this Agreement are contingent upon Seller declaring the Plan effective and the Effectiveness Amendment being accepted for filing by the Attorney General. Seller may declare the Plan effective only in accordance with the terms contained in the Plan (see "Section L. Effective Date" in Part I of the Plan).

26.2 Seller has the exclusive right and discretion to declare the Plan effective or to abandon the Plan at any time before declaring it effective. In addition, if Seller declares the Plan effective, Seller may thereafter and before the First Closing abandon the Plan under the limited circumstances explained in the Plan (see "Section L. Effective Date").

26.3 If Seller elects to abandon the Plan, this Agreement will be considered to have been cancelled automatically and Purchaser's Net Purchase Monies will be refunded to Purchaser. Upon making such refund, neither party shall have any obligation or liability to the other for any Claims or Costs and Expenses based on this Agreement or the Plan or any Amendments, except the parties shall not be released from those indemnities, liabilities and obligations expressly stated to survive a termination or cancellation of this Agreement.

26.4 Unless and until the Plan is abandoned by Seller or deemed abandoned, Purchaser shall remain irrevocably bound to fully pay and perform all of Purchaser's agreements and obligations as provided in this Agreement, and Purchaser may not cancel this Agreement based on this contingency.

27. **Plan and Amendments Govern**

27.1 The Plan and Amendments to the Plan (whether filed before or after the date of this Agreement, but before closing) form a part of this Agreement. The parties are bound by the provisions of the Plan and all such Amendments. If the provisions of this Agreement are inconsistent or conflict with the Plan or Amendments, such inconsistency or conflict shall be resolved according to the terms of the Plan and Amendments, which are paramount and shall govern.

27.2 Seller has the right to file Amendments to the Plan without Purchaser's consent. The Amendments may change, among other things, the projected Common Charges and projected real estate taxes to be paid by Purchaser, or any of the other provisions of the Plan or this Agreement (except that after Purchaser signs and returns this Agreement, Seller may not change the Purchase Price, or the payment provisions in paragraph 2.1 or the escrow provisions in paragraph 25). The Plan and all Amendments to the Plan filed prior to closing, including all material adverse changes:

a. shall be binding on Purchaser; and

b. shall not excuse Purchaser from paying the full amount of all closing payments under paragraph 14.1, including the Balance of the Purchase Price, without abatement, set-off or credit against the Purchase Price or provision for escrowing monies and without recourse of any kind against Seller (except as otherwise provided in paragraph 27.3).

27.3 In the case only of a material adverse Amendment affecting Purchaser as provided in Section 20.5(a)(5) of Part 20 of the regulations issued by the Attorney General, the Amendment will afford Purchaser the right to rescind this Agreement and recover the Net Purchase Monies.

28. **Purchaser's Time to Review Plan and Amendments**

28.1 At Seller's option:

a. Purchaser will be given at least three (3) business days to review the Plan and any Amendments before Purchaser signs and delivers this Agreement and the check for the Deposit; or

b. (if, and only if, Purchaser is given less than three (3) business days for such review) Purchaser will have a deadline of seven (7) calendar days after Purchaser signs and delivers this Agreement and the check for the Deposit to rescind this Agreement and recover Purchaser's Net Purchase Monies.

In the latter case, Purchaser must elect to rescind in a written notice sent to Seller within the mentioned seven (7) calendar day deadline period (*time being of the essence*). If Purchaser fails to timely do so, Purchaser will no longer have the right to rescind under this paragraph 28.1 and will be fully bound to purchase the Unit.

29. **Seller's Acceptance or Rejection of Agreement**

29.1 Seller is not bound by this Agreement until Seller or Seller's duly authorized agent signs and returns a duplicate original of this Agreement to Purchaser or Purchaser's attorney (if any). No inference shall be drawn that Seller accepted this Agreement or is bound by its provisions based on:

a. the submission of the Plan, Purchase Application or this Agreement to Purchaser;

b. the delivery to Seller or Seller's Selling Agent or attorney of this Agreement signed

by Purchaser and Purchaser's check for the Deposit; or

c. the deposit of Purchaser's Deposit check for collection (whether or not inadvertent).

29.2 Until Seller rejects or is deemed to have rejected this Agreement as provided in paragraph 29.3, Purchaser is irrevocably bound by its provisions and will not be entitled or permitted to recover Purchaser's Deposit or any Special Work Payment.

29.3 Seller will be deemed to have rejected this Agreement unless Seller hand delivers or mails (by ordinary or certified mail, with or without return receipt requested) to Purchaser or Purchaser's attorney (if any), within twenty (20) calendar days after Seller or Seller's Selling Agent or attorney receives this Agreement signed by Purchaser together with Purchaser's check for the Deposit, the Purchase Application and IRS form W-8 or W-9 (if and as applicable), a duplicate original of this Agreement signed by Seller or Seller's duly authorized agent. In the event Seller rejects or is deemed to have rejected this Agreement, Purchaser's Deposit and any Special Work Payment will be promptly refunded to Purchaser, without interest. Upon making such refund, neither party shall have any obligation or liability to the other party based on this Agreement or the Plan or any Amendments.

29.4 Purchaser understand that Seller is required by regulation of the Attorney General to deposit Purchaser's Deposit check within the ten (10) business days period stated in paragraph 25.8, which period may expire before the lapse of the twenty (20) calendar days Seller has to accept or reject this Agreement in accordance with paragraph 29.3. *Purchaser agrees that such deposit of the Deposit check will NOT be regarded as Seller's acceptance of this Agreement nor prejudice or impair Seller's right to reject this Agreement as provided in paragraph 29.1 and paragraph 25.8.*

30. **Broker**

30.1 Purchaser represents to Seller that Purchaser has not dealt with any broker or finder, whether licensed or unlicensed, in connection with this purchase and sale other than the Selling Agent and its salesperson and the Participating Broker (if any) and its salesperson identified in paragraph 6.1.

30.2 Seller will pay the commission earned by the Selling Agent and the Participating Broker (if any) pursuant to a separate agreement with each of them. This obligation shall survive the closing. The Selling Agent and the Participating Broker (if any) shall not be deemed a third-party beneficiary of this provision.

30.3 Each party agrees to indemnify the other party (with attorneys selected by Seller) from and against any and all Liabilities and Expenses arising from:

a. (in the case of Purchaser) Purchaser's representation in paragraph 30.1; or

b. (in the case of Seller) Seller's agreement in paragraph 30.2.

This indemnity shall survive the closing or (if the closing does not occur) the cancellation or termination of this Agreement.

31. **Notices**

31.1 Unless otherwise expressly provided elsewhere in this Agreement, any notice (other than a Deposit Notice in paragraph 25.9), request, consent, election, demand or other communication (collectively, "**notice**") to be given or made by the parties or Escrowee under this Agreement must be in writing and either:

a. delivered by hand, telecopier (with electronic confirmation of transmission followed by sending the original notice by any other method permitted herein the next business day) or priority overnight delivery by Federal Express, United Parcel Service or other nationally recognized courier; or

b. sent by certified or registered mail, return receipt requested, postage prepaid.

31.2 Each notice to be given:

a. to Purchaser, will be addressed to Purchaser at Purchaser's address set forth on the first page of this Agreement (or addressed to Purchaser at the Unit, if given after the closing);

b. to Seller, will be addressed to Seller at Seller's address set forth on the first page of this Agreement (fax no. (212) 736-1520); or

c. to Escrowee, will be addressed to:

Mandel Resnik Kaiser Moskowitz & Greenstein P.C.
220 East 42nd Street
New York, New York 10017
Attention: Alan L. Kazlow, Esq.
Fax No. (212) 573-0067

31.3 A copy of each notice must be sent simultaneously and in like or speedier manner to the following persons:

a. (in case of a notice to Purchaser) to Purchaser's attorney (if any) identified in paragraph 5.1; or

b. (in case of a notice to Seller) to:

Mandel Resnik Kaiser Moskowitz &
Greenstein P.C.
220 East 42nd Street
New York, New York 10017
Attention: Alan L. Kazlow, Esq.
Fax No: (212) 573-0067

31.4 Each party may, by notice to the other party, change the address to which future notices are to be sent or change or add a person to whom a notice or a copy of a notice is to be sent.

31.5 Unless otherwise expressly provided elsewhere in this Agreement, each notice shall be effective only if and when given or sent as provided in paragraphs 31.1 to 31.3. Any specified period of time following the giving or sending of a notice shall begin on the day delivered by hand or sent by telecopier or (if such day is not a business day or is received after 5:30 p.m.) on the following business day, or the next business day after being sent by overnight courier, or the second business day following the date of mailing in New York State or the third business day after mailing from outside of New York State. However, a notice to Escrowee, or a notice of a change of address or person or new person pursuant to paragraph 31.4, shall not be considered effective until actually received.

31.6 A notice that is mailed must be deposited into an official mail depository maintained by the United States Postal Service or (if mailed outside the United States) by an equivalent postal authority.

31.7 Failure to accept a notice is deemed receipt of it and does not affect the effectiveness, validity or enforceability of the notice, nor excuse or justify delaying the performance of an obligation.

32. Standard Terms

32.1 Authorization of Attorneys: Mandel Resnik Kaiser Moskowitz & Greenstein P.C. is authorized by Seller, and Purchaser's attorney (if any) identified in paragraph 5.1 is authorized by Purchaser, to sign any notice or extend any time period in this Agreement. The officers, partners, counsel, associate attorneys and legal assistants so authorized by said attorneys of a party are similarly authorized to act for such party.

32.2 Merger: All prior and contemporaneous "statements" (defined below) made to each party with regard to this transaction, as well as all prior and contemporaneous statements made between each party and Escrowee with regard to the escrow provisions of paragraph 25, are merged in this Agreement and have no effect unless they are expressly contained or incorporated by reference in this Agreement. The term **"statements"** includes representations, promises, understandings, discussions, negotiations, agreements, estimates, valuations, projections and opinions, whether written or oral, as well as a broker's set-up, terms sheet, floor plans, drawings and data of any kind.

32.3 Entire Agreement: This Agreement, together the Plan and Amendments to the Plan accepted for filing by the Attorney General prior to closing, constitute the entire understanding and agreement of the parties. Any statements not contained in a written rider attached to this Agreement and signed by the parties is not part of this Agreement and not binding on, or enforceable by or against, the parties.

32.4 Changes and Waivers: A provision of this Agreement will be considered to have been changed or waived only if the change or waiver is expressly made in writing signed by the party to be charged or (if applicable) by Escrowee, unless such provision is expressly provided to have been waived or deemed waived if not exercised, satisfied or performed within a specified period. The failure to insist on strict performance of any provision will not mean that the provision has been waived or that the right to insist thereafter on strict performance of that or any other provision has been waived.

32.5 Parties to Cooperate: Each party will reasonably cooperate with the other party, and each party is to obtain, execute and/or deliver (as applicable) such documents as are in the possession or control of such party and are reasonably necessary in order to close title or to effectuate or confirm any provision of this Agreement. These documents include: (a) the federal tax forms to report the closing and Purchaser's receipt of interest on the Escrow Fund; and (b) documents Purchaser's title insurer (if any) might reasonably require to show that: (b-1) delivery of the Deed has been properly authorized by Seller's organization; and (b-2) any judgments, bankruptcies or other title issues against names the same as or similar to Seller or Purchaser are not against Seller or Purchaser, respectively. This, however, does not obligate either party to give an indemnity, to escrow monies or to make representations not contained in this Agreement. The provisions of this paragraph 32.5 shall survive the closing.

32.6 Governing Law; Venue for Lawsuits: The internal laws of the State of New York will govern this Agreement and the interpretation and enforcement of its provisions, without regard to legal principles of conflict of laws. Any Lawsuit arising out of this Agreement or the Plan or Amendments thereto: (a) must be brought in the Supreme Court of the State of New York or (if such court lacks jurisdiction) a court of competent jurisdiction; (b) must be brought in the county in which the Unit or Seller is located; and (c) may be commenced by serving the summons and/or complaint by certified or registered mail (return

receipt requested), postage prepaid, deposited in an official depository maintained by the U.S. Postal Service, and sent to the party at the party's address referred to in paragraph 31.2 or any other address of which the party has given notice in accordance with paragraph 31.4. The provisions of this paragraph 32.6 shall survive the closing or (if the closing does not occur) the cancellation or termination of this Agreement.

32.7 Waiver of Jury Trial: Each party waives the right to a trial by jury in any Lawsuit arising from this Agreement or the Plan or Amendments, other than a Lawsuit in which a jury trial cannot legally be waived. Any Claim for which a jury trial cannot legally be waived shall not be asserted as a counterclaim or joined with any Lawsuit in which a jury trial is waived, unless the failure to assert it would prevent the Claim from being made later. The provisions of this paragraph 32.7 shall survive the closing or (if the closing does not occur) the cancellation or termination of this Agreement.

32.8 Co-Purchasers: If Purchaser is more than one person, then each is jointly obligated with the other, and each is solely, fully and personally obligated, to pay and perform Purchaser's obligations under this Agreement. In addition, any notice given to or by one co-Purchaser, and any provision changed or waived by one co-Purchaser, will be sufficient to bind all co-Purchasers.

32.9 Assignment Prohibited: Purchaser may not assign this Agreement or Purchaser's rights hereunder. Any purported assignment hereof by Purchaser in violation of this provision shall be null and void, as well as an Event of Default under paragraph 22.1.

32.10 Successors: The heirs, distributees, executors, administrators, personal and legal representatives and successors-in-interest of each party, and Seller's assignee, will succeed to such party's rights and will be fully responsible to pay and perform all of such party's obligations under this Agreement.

32.11 No Lien: Neither this Agreement nor the Purchase Monies are a lien against the Unit or the Property. Purchaser shall not record this Agreement or a memorandum hereof and any attempted recordation of same shall be null and void and a material default hereunder.

32.12 Subordination: This Agreement and all of Purchaser's rights under it are subordinate to the liens of all mortgages, and renewals, extensions and modifications thereof, and to all advances, fundings and payments thereunder, whether made before or after Purchaser signs this Agreement. No further legal document is required to be signed by Purchaser to effectuate this subordination. However, if requested, Purchaser shall promptly sign in recordable form and return to Seller a document prepared by Seller's attorney which confirms this subordination.

32.13 Invalid Provisions Severed: The invalidity or unenforceability of any provision of this Agreement shall not affect the validity of the other provisions, which shall be enforced to the fullest extent permitted by law.

32.14 Indemnities Generally: The indemnities given by one party (**"Indemnifying Party"**) to the other (**"Indemnified Party"**) in this Agreement, or in any document delivered pursuant to this Agreement, shall include and be deemed to include and to inure to the benefit of, the Indemnified Party's past, present and future shareholders, officers and directors or partners or members (as applicable) and principals, and the employees, agents and attorneys of each of the foregoing. Promptly after being notified of a Claim or served in a Lawsuit for which indemnity is sought, the Indemnified Party shall give notice thereof to the Indemnifying Party. Unless otherwise provided in the indemnity, the Indemnifying Party, at such Indemnifying Party's sole Cost and Expense, shall be entitled: (a) to control the defense, compromise and settlement of such Claim or Lawsuit; and (b) to choose the attorneys, who shall be reasonably satisfactory to the Indemnified Party. The Indemnified Party shall cooperate fully and make available to the Indemnifying Party such information and documents under the control or in the possession of the Indemnified Party as are reasonably related to the defense of the Claim or Lawsuit. The Indemnified Party shall have the right, but not the obligation, at such Indemnified Party's sole Cost and Expense, to participate and be represented by separate counsel (chosen by the Indemnified Party) in the defense, compromise and settlement of the Claim or Lawsuit.

32.15 Satisfaction and Discharge: All agreements, obligations and liabilities of the parties are considered satisfied and discharged at closing or upon the effective date of cancellation or termination hereof in accordance with the terms of this Agreement (as applicable), except only those agreements and obligations which are expressly stated in this Agreement or the Plan or Amendments to survive the closing or to be paid or performed subsequent to closing or to survive said cancellation or termination (as applicable). All such agreements and obligations which are expressly stated to be paid or performed subsequent to closing shall survive the closing, whether or not expressly stated to so survive.

32.16 No Negative Inference: The parties acknowledge that they are sophisticated and/or are represented by experienced, knowledgeable attorneys and/or advisors. The normal rules of construction to resolve ambiguities against the party whose attorney drafted this Agreement shall not be followed in the interpretation of this Agreement. Consequently, no adverse or negative inference or interpretation shall be made by a court in enforcing the provisions of this

Agreement against the party whose attorney drafted this Agreement.

32.17 Purchaser's Representations: Purchaser represents that: (a) Purchaser is a bona fide purchaser; (b) Purchaser is not related to Seller, the Selling Agent or the proposed Managing Agent identified in the Plan, or to any of their respective principals, by blood, marriage or adoption, or as a business associate, an employee, a shareholder or a limited partner; and (c) Purchaser is not purchasing as an accommodation to, or for the account or benefit of, Seller or a principal of Seller. If Purchaser is or includes an individual, Purchaser further represents that Purchaser is at least 18 years old. If Purchaser is or includes a corporation, partnership, limited liability company, trust or other entity, Purchaser further represents that Purchaser is authorized to do business in the State of New York. Purchaser agrees that Seller may rely upon the foregoing representations, which shall survive the closing of title or the cancellation or termination hereof (as applicable).

32.18 No Financing Contingency: This Agreement is NOT contingent upon Purchaser obtaining financing (secured or unsecured) to pay the Purchase Price set forth in paragraph 2.1, or any portion thereof. If Purchaser desires financing, Purchaser assumes and accepts full and sole risk to obtain and close the loan simultaneously with the closing of title under this Agreement. Under no circumstance shall Purchaser have the right to cancel this Agreement, or to delay title closing, or to be relieved or excused from paying the Purchase Price (without abatement, set-off or credit, and without recourse of any kind against Seller) in the event: (a) Purchaser is unable to arrange financing; or (b) Purchaser receives a Loan Commitment Letter, but before the closing of title the interest rate or other terms unfavorably change, or such commitment expires and is not extended or renewed or is extended or renewed on less favorable terms, or is terminated because of: an adverse change in Purchaser's financial condition, or an appraisal of the Unit is not satisfactory to the lender, or any other condition or factor is not met.

32.19 Execution: This Agreement is effective, binding and enforceable without the seal of a corporate party or the acknowledgment or notarization of a signature.

32.20 Captions: The paragraph captions and Table of Contents are for convenience only and are not part of the text of this Agreement, nor to be used to interpret its provisions.

32.21 References: All references in this Agreement to a paragraph, subparagraph, clause, Exhibit or Schedule, refer to the paragraphs, subparagraphs and clauses of this Agreement and to an Exhibit or Schedule attached to this Agreement. Similarly, the words "hereof", "herein", "above", "below" and similar terms mean this Agreement. An Exhibit or Schedule (if any) attached to this Agreement is part of this Agreement.

32.22 Grammar: Any word or term in this Agreement that is: used in the singular, shall include the plural and vice versa; or used in any gender shall include any other gender; or used in any tense (past, present or future), shall include any other tense, whenever required by the sense of this Agreement and is not contrary to the express context.

32.23 U.S. Dollars: All payments and dollar amounts are in the currency of the United States (i.e., U.S. dollars).

32.24 Business Day; Day: A business day is any day of the year that is not a Saturday, Sunday or legal holiday of the State of New York. All references in this Agreement to "days" shall mean "calendar days", unless expressly stated to be "business days". Any date or period specified in this Agreement which does not fall on a business day shall be extended to the following first business day.

32.25 Lead-Based Paint and/or Lead-Based Paint Hazards: The provisions of this paragraph "33.25" apply if, and only if, the Unit is larger than a "studio apartment". A "**studio apartment**" is a dwelling in which the living area is not separated from the sleeping area. Purchaser understands that under applicable federal regulations (namely, 24 CFR Part 35 and 40 CFR Part 745), before Purchaser becomes obligated under this Agreement: (a) Purchaser must be permitted a 10-day period to conduct a risk assessment or inspection (collectively, "**assessment/inspection**") for the presence of lead-based paint and/or lead-based paint hazards; or (b) Purchaser may waive in writing Purchaser's opportunity to conduct such assessment/inspection for the presence of lead-based paint and/or lead-based paint hazards. At or prior to signing this Agreement, Purchaser has indicated (where appropriate) and signed a certain form ("**Disclosure Form**") entitled "Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards" acknowledging (among other things) Purchaser's choice to conduct such assessment/inspection for the presence of lead-based paint and/or lead-based paint hazards or to waive Purchaser's opportunity to do so. An executed original of such Disclosure Form is annexed to this Agreement as EXHIBIT C.

END OF TERMS AND CONDITIONS OF PURCHASE AND SALE AGREEMENT

The Exhibits to this Purchase and Sale Agreement start on the following page.

EXHIBIT A

PERMITTED ENCUMBRANCES

The Unit will be conveyed and sold, and will be purchased and acquired by Purchaser (without abatement in the Purchase Price or recourse of any kind against Seller), subject to the following Permitted Encumbrances, which shall not be objections to title:

1. Building restrictions and zoning laws and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted by any governmental or quasi-governmental authority having jurisdiction, provided they do not prevent the use of the subject Unit for the purpose set forth in the Plan.

2. State of facts shown on the survey made by George Hollerith, dated 8/13/1948 and last brought to date by Earl B. Lovell – S. P. Belcher Inc. by a visual examination dated 9/6/01, which show the following:

(a) the following enroachments on and/or projections over West 30th Street:

Cellar doors	5 feet 0 inches
Trim	up to 1 feet 6 inches
Standpipes	1 feet 4 inches
Hose	0 feet 5 inches
Canopy	3 feet 7 inches;

(b) the easterly independent wall of the nine to eighteen story brick building on the land comprising the subject Property enroaches up to 0 feet 0 ½ inches onto land adjoining on the east. Vent hoods from said wall project up to 2 feet 0 inches, several flue pipes from windows project 0 feet 6 inches over land adjoining on the east;

(c) the southerly independent wall of the nine to eighteen story brick building on the land comprising the subject Property enroaches up to 0 feet 0 ½ inches onto land adjoining on the south; and

(d) the westerly independent wall of the nine to eighteen story brick building on the land comprising the subject Property enroaches up to 0 feet 0 ½ inches onto land adjoining on the west; window when open from said wall projects.

3. Any additional state of facts that an accurate survey or personal inspection of the land and Building (after being rehabilitated and renovated) would show, including encroachments of the Building on adjoining properties and/or streets, provided that any of the title insurers or agent comprising the Title Insurance Company or Purchaser's title insurer will insure, at its regular rate, without additional premium, in a fee title policy issued to Purchaser that any such encroachments may remain for so long as the Building shall stand, and provided further that such state of facts would not prevent the use of the subject Unit for the purpose set forth in the Plan.

4. Any state of facts that an accurate survey or personal inspection of the subject Unit (when erected) would disclose, including: (a) encroachments by the Unit on adjoining Units and/or on Common Elements; and (b) encroachments by adjoining Units or Common Elements on the Unit, provided that any of the title insurers or agent comprising the Title Insurance Company or Purchaser's title insurer will insure at its regular rate, without additional premium, in a fee title policy issued by it to Purchaser, that any encroachments of a portion of the subject Unit upon any other unit or the Common Elements may remain for so long as the Building shall stand.

5. The terms, burdens, covenants, restrictions, conditions, duties, limitations, licenses, powers, easements, encroachments and rules and regulations set forth in, or permitted by, the Declaration, the By-Laws (and the Rules and Regulations made thereunder), the Unit Owner's Power of Attorney from Purchaser to the Condominium Board and Sponsor (i.e., Seller), and the Floor Plans, as any of them might be amended from time to time, provided that any of the title insurers or agent comprising the Title Insurance Company or Purchaser's title insurer will insure at its regular rate, without additional premium, in a fee title policy issued to Purchaser, against loss or damage occasioned by reason of the Unit not being part of a condominium validly established pursuant to Article 9-B of the Real Property Law, as amended.

6. Consents by the Seller, the Condominium Board 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 land abuts.

7. Sewer, water, electric, plumbing, heating, gas, telephone, cable and other utility easements and any and all rights of use in favor of any utility company for construction, use, maintenance, repair, removal, relocation and replacement of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles, connections and other equipment and facilities on, under and across the land and Building.

8. Revocability of licenses for vault space, if any, under the sidewalks and streets and the lien of any unpaid vault tax.

9. Encroachments of stoops, areas, cellar steps or doors, trim, coping, retaining walls, bay windows, balconies, sidewalk elevators/hatches, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and stand pipes, 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 between record lines of the Property and retaining walls and the like, if any.

10. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other units of the Condominium or portions of the Common Elements as described or permitted in the Plan or a Plan Amendment or made after the end of the Sponsor Board Control Period.

11. The lien of any unpaid Common Charge and real estate taxes, which shall be apportioned at the closing of title as set forth in this Purchase and Sale Agreement. The lien for any unpaid water charges and sewer rents are payable by the Condominium Board and included in Common Charges, and thus are deemed apportioned as part of the Common Charges.

12. The lien of any unpaid "assessment" (defined below) payable in installments, except that: (a) Seller will pay all such assessments due prior to the Closing Date and (b) Purchaser will pay all assessments due from and after such date. However, the then current installment of an assessment will be apportioned at closing in accordance with this Purchase and Sale Agreement. The term **"assessment"** as used herein includes both a real estate tax assessment and a Condominium Board Special Assessment.

13. Unpaid fees or charges of any Governmental Authority for inspections, reinspections, examinations, services, permits and licenses, which shall be apportioned between Sponsor and the Condominium Board as provided in the Plan or, if arising after the First Closing of a Residential Unit, shall be payable by the Condominium Board and included in the Common Charges, and thus are deemed apportioned as part of the Common Charges.

14. Unpaid costs, charges and amounts owed by the Condominium Board after the First Closing of a Residential Unit for work performed by a Governmental Authority, including the New York City Office of Rent and Housing Maintenance, Emergency Services Division, and the New York City Department of Health (all such unpaid costs, charges and amounts owed prior to said First Closing shall be paid by Seller pursuant to the Plan).

15. Any encumbrance as to which any of the title insurers comprising the Title Insurance Company or the title insurer that insures Purchaser's title to the Unit would be willing to insure, at Purchaser's expense, at its regular rate and without additional premium, in a fee policy issued by it to Purchaser (a) will not be collected out of, or enforced against, the Unit or its Common Interest if it is a lien; or (b) will not prevent the use of the Unit for the purpose set forth in the Plan, whichever is applicable. Any exception that any of said title insurers or agent comprising the Title Insurance Company has omitted or insured at its regular rates and without additional premium will not be collected out of, or enforced against, a unit, in a fee title insurance policy for other units of the Condominium, regardless of which title insurance company or agent Purchaser uses, will not be a valid objection to title.

16. The Building is designated as an individual landmark by a certain Notice of Designation recorded in the Register's Office on 2/11/02 in Reel 3448 at page 677; the Building and improvements on the Land are subject to the restrictions as to use provided for in the Administrative Code of The City of New York, Title 25, Chapter 3;

17. Restrictive Declaration dated January 14, 2002, recorded in the Register's Office, which (among other things) requires the owner of the Property and (from and after the First Closing of a Residential Unit) the Condominium Board to establish and maintain a program for continuing maintenance to ensure that the Building is maintained in a sound, first-class condition in perpetuity.

18. Any declaration or other instrument affecting the Property that the Condominium Board considers 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 Standard and Appeals, or any other public or quasi-public Governmental Authority, applicable to the demolition, construction, alteration, repair, use, occupancy, operation or restoration of the Building.

19. Any easements, covenants, declaration, restrictions or agreements, whether of record or unrecorded, affecting the Property or any portion thereof, and the title exceptions set forth in the title report issued by any of the title insurers or agent comprising the Title Insurance Company for the Property, provided they do not prevent the use of the Unit for the purpose set forth in the Plan, and excluding: (a) any title exception to be removed in order to insure the valid establishment of the Condominium as provided in the Plan; and (b) the lien of any mortgage or UCC-1 financing statement, which are to be released or terminated, respectively, from the Unit.

20. Any violations against the Property (other than the Unit) that are the obligation of the Condominium Board or the owner of another unit to correct (all such violations existing at the First Closing of a Residential Unit shall be corrected by Seller pursuant to the Plan.).

21. A Certificate of Occupancy or temporary Certificate of Occupancy covering the Building (when issued after completion or substantial completion of the Building rehabilitation), provided it authorizes use of the Unit for the purpose set forth in the Plan.

22. Leases and rights of tenants and occupants of other units and portions of the Property other than the subject Unit, as tenants only, and any lease, tenancy or occupancy of this Unit by Purchaser as and if provided in the Purchase and Sale Agreement.

23. Any lien (including any mortgage lien) or other encumbrance granted, created or obtained by the Purchaser.

24. Easements for ingress and egress for construction, installation, operation and maintenance of municipal service facilities and utilities.

25. Any easement or right of use required by Sponsor (i.e., Seller) or its designee to obtain a temporary or permanent, amended or new Certificate of Occupancy for the Building or any part thereof. Any other covenants, restrictions, easements or other encumbrance (other than for payment of money), provided that they do not prohibit the existence and use of the Unit for the purpose set forth in the Plan.

26. Service, labor, concessionaire and maintenance agreements with the Condominium Board as disclosed or permitted in the Plan or a Plan Amendment, or made after the end of the Sponsor Board Control Period.

27. Any lien, encumbrance or lis pendens either: (a) for which the instrument required to remove said encumbrance of record is delivered at or prior to the Closing Date to the proper party or to Purchaser's title insurer together with the required recording or filing fee; or (b) as to which Purchaser's title insurer or any of the title insurers comprising the Title Insurance Company will insure that the lien, encumbrance or lis pendens will not be collected out of, or enforced against, the Unit.

28. Party walls and party wall agreements, if any.

29. Judgments, bankruptcies or other returns against other persons having names the same as or similar to Sponsor (i.e., Seller) or any of its principals, provided Sponsor or any such principals, as the case may be, deliver to Purchaser or Purchaser's title insurer or any of the title insurers or agent comprising the Title Insurance Company an affidavit showing that such judgments, bankruptcies or other returns are not against Sponsor or any such principals, as the case may be.

30. Uniform Commercial Code financing statements or conditional bills of sale, provided that: (a) such statements were filed on a date more than five years prior to the Closing Date; (b) Sponsor executes and delivers to Purchaser an affidavit setting forth that the property covered thereby is no longer in the Unit or is fully paid for; or (c) a tenant is the debtor thereunder.

31. Standard printed exceptions contained in the form of fee title insurance policy then issued by the title insurer insuring Purchaser's title to the Unit, including the following: (a) defects and encumbrances arising or becoming a lien after the Closing Date; (b) consequences of the exercise and enforcement or attempted enforcement of any governmental, war or police powers over the Unit or the Property; (c) any laws, regulations or ordinances (including, but not limited to zoning, building, and environmental protection) as to the use, occupancy, subdivision or improvement of the Unit or the Property, adopted or imposed by

any governmental body, or the effect of any noncompliance with or any violation thereof; (d) judgments against the insured or estates, interests, defects, objections, liens or encumbrances created, suffered, assumed or agreed to, by or with the privity of Purchaser; (e) title to any property beyond the lines of the Unit or the Property, or title to areas within or rights to easements in any abutting streets, roads, avenues, lanes, ways or waterways, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement, other than the ordinary rights of access and egress belonging to abutting owners; and (f) title to any personal property, whether the same be attached to or used in connection with the Unit or the Property or otherwise.

32. Franchise taxes and New York City business corporation taxes of any organization in the chain of title, provided that Purchaser's title insurer or any of the title insurers or agent comprising the Title Insurance Company would be willing to insure at its regular rate, without additional premium, in a fee policy issued by it to Purchaser, that such taxes will not be collected out of the Unit.

END OF EXHIBIT A

PERMITTED ENCUMBRANCES

EXHIBIT B

FINAL INSPECTION STATEMENT

Date: _____, _____

130 West 30th, LLC
c/o H. Justin Realty Services, LLC
115 West 30th Street, Suite 203
New York, New York 10001

*Re: Residential Unit _____ ("**Unit**")*
130 West 30th Street Condominium
130 West 30th Street
New York, New York 10001

Gentlemen:

This is to confirm that based on my/our personal inspection of the above referenced Unit, I/we have found the Unit, its floors, walls, doors, fixtures, appliances, equipment, hardware and all other items listed below, to be in good and satisfactory working order and condition, free of chips, marks, scratches, breaks, defects or other imperfections, except for those matters (if any) expressly noted and detailed below under "Exceptions" requiring repair, adjustment or correction:

Item	Exceptions (or Accepted if not otherwise noted)	Purchaser's Initials
1. Unit Interior:		
(a) Walls:	_____	_____
(b) Floors:	_____	_____
(c) Ceilings:	_____	_____
(d) Windows: (glass, sash, pane, sill, etc.)	_____	_____
(e) Skylight:	_____	_____
(f) Doors:	_____	_____
(g) Electrical fixtures:	_____	_____
(h) Painted surfaces:	_____	_____
(i) Countertops:	_____	_____
(j) Cabinets:	_____	_____
(k) Refrigerator/Freezer:	_____	_____
(l) Range/Oven:	_____	_____
(m) Dishwasher:	_____	_____

Item		Exceptions (or Accepted if not otherwise noted)	Purchaser's Initials
(n)	Clothes washer/dryer	_____	_____
(o)	Kitchen sink:	_____	_____
(p)	Bathroom sink(s):	_____	_____
(q)	Water closet(s):	_____	_____
(r)	Bathtub/shower(s):	_____	_____
(s)	Hardware: (doorknob, faucets, locks, etc.)	_____	_____
(t)	Intercom:	_____	_____
(u)	Other:	_____	_____

2. General Operating Condition:

(a)	All Doors:	_____	_____
(b)	All Windows/Skylight:	_____	_____
(c)	All Plumbing (including Hot Water):	_____	_____
(d)	All Hardware:	_____	_____
(e)	All Cabinets:	_____	_____
(f)	Other:	_____	_____

I/We understand that to prevent pilferage, certain items (such as a shower head and toilet seat), if now absent, will be installed just prior to the date I/we move in.

I/We will sign and deliver to you a separate statement signifying my/our satisfaction with each item excepted above (if any), immediately upon completion of its repair, adjustment or correction.

I/We understand and agree that you shall not be obligated to make any repairs, adjustments or corrections to the Unit or any portion thereof or its fixtures, appliances, equipment, etc., contained therein, from and after the date of closing of title under the Purchase and Sale Agreement for the Unit, except as to those items (if any) expressly excepted above (and your obligation regarding each such excepted item (if any) shall cease upon completion of its repair, adjustment or correction), and except further to the extent required under the Plan to correct any "Latent Construction Defects" (as defined and provided in the Plan and undersigned's Purchase and Sale Agreement) as to which I/we give you timely written notice in accordance with said Plan and Agreement.

I/We am/are required to, and shall, pay the full amount of the Purchase Price set forth in said Purchase and Sale Agreement (without abatement, set-off or credit and without escrowing any monies) and accept title to the Unit on the closing date, notwithstanding the existence of any Exceptions listed above.

Very truly yours,

Purchaser:

Signature: _____

Name: _____

Signature: _____

Name: _____

Agreed To:
130 West 30th, LLC

By: H. J. Development, LLC, Managing Member
By:
Signature: _____

Name:_____

Title: _____

INSTRUCTIONS:
- Complete and Sign 5 originals.
- Deliver: 2 to Seller; 2 to Purchaser; 1 to Agent

EXHIBIT C

THIS DISCLOSURE AGREEMENT IS PART OF, AND INCORPORATED IN, THE [PURCHASE AND SALE AGREEMENT][CONTRACT OF SALE] BEING SIGNED BY SELLER AND PURCHASER SIMULTANEOUSLY HEREWITH

DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller (✓): (a)(i) or (i)

Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) ___ Known lead-based paint and/or lead-based paint hazards are present in the housing: (explain)

_____

_____

(ii) _✓_ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

Seller (✓): (b)(i) or (i)

(b) Records and reports available to the seller (check (i) or (ii) below):

(i) ___ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint hazards in the housing (list documents below).

_____

(ii)) _✓_ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser Initial: (c) (d) (e)

Purchaser's Acknowledgement (initial)

(c) _____Purchaser has received copies of all information listed above.

(d) _____Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home.*

(e) _____Purchaser has (check (i) or (ii) below):

Purchaser (✓): (i) or (ii)

(i) ____ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii) ____ waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgement (initial)

Agent Initial: (f)

(f) _____Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

[Fill in and sign]

SELLER:	PURCHASER:	AGENT:
130 West 30th, LLC	_____	Insignia Douglas Elliman LLC
By: H. J. Development, LLC, Managing Member	[Signature]	[Name of Agent]
_____	_____	By: _____
[Name of Seller]	[Print Name]	[Signature]
By: _____	_____	_____
[Signature]	[Date]	[Print Name]
_____	_____	_____
[Print Name]	[Signature]	[Print Title]
_____	_____	_____
[Print Title]	[Print Name]	[Date]
_____	_____	
[Date]	[Date]	

DOCUMENT 1A

PURCHASE APPLICATION

Information on Applicant:

My Full Name: _____
First Middle Initial Last

My Residence Address: Street: _____

Apt.: _____

City: _____

State: _____

Zip Code: _____

My Residence Telephone No.: Area Code: _____

Number: _____

Number of Years at this Residence: _____

My Social Security Number: _____

Number of My Dependents: _____

My Current Landlord: Name: _____

Address: _____

_____

Zip Code: _____

My Employer: Name: _____

Address: _____

_____

Zip Code: _____

Telephone No.: Area Code: _____

Number: _____

My Current Position: _____

My Number of Years with Employer: _____

My Current Wages: $_____ per year

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My Other Income*: Amount: $_____

*[You need not reveal alimony, child support or separate maintenance income, if you do not wish it considered in evaluating this application.]

My Current Assets:

(a) Bank Accounts:

Bank: Name:_____

Address:_____

_____

Zip Code:_____

Account Number:_____

Account Balance: $_____ as of _____, 200__

Bank: Name:_____

Address:_____

_____

_____

Zip Code:____

Account Balance: $_____ as of _____, 200__

(b) Securities (Stocks, Bonds, etc.):

Total Market Value: $_____ as of _____, 200__

(c) Real Estate:

Description: Home ( ) Market Value: $_____ as of _____, 200__

Other:_____

Total Market Value: $_____ as of _____, 200__

(d) Other Assets:

Description: _____

Total Market Value: $ _____as of _____, 200__

(e) My Life Insurance: Amount: $_____

or

None [ ]

My Liabilities:

(a) My unsecured bank loans:

Loan 1

Loan 2

Balance Owed: $_____ as of____, 200_

Lender:

Name:_____

Address:_____

_____

_____

Zip Code:_____

Loan Number:_____

Monthly Payment: $_____

Maturity Date:_____

Balance Owed: $_____ as of ____, 200_

Lender:

Name:_____

Address:_____

_____

_____

Zip Code:_____

Loan Number:_____

Monthly Payment: $_____

Maturity Date:_____

(b) My Secured Bank Loans/Mortgages:

First Secured Loan/Mortgage

Balance Owed: $_____ as of _____, 200__

Lender:

Name:_____

Address:_____

_____

_____

Zip Code:_____

Loan Number:_____

Monthly Payment: $_____

Maturity Date:_____

Second Secured Loan/Mortgage

Balance Owed: $_____ as of_____, 200__

Lender:

Name:_____

Address:_____

_____

_____

Zip Code:_____

Loan Number:_____

Monthly Payment: $_____

Maturity Date:_____

(c) My Credit Card/Charge Account/Other Loans:

Total balance owed $_____ as of _____, 200__

Creditor:

Creditor:

Name:_____ Name:_____

Address:_____ Address:_____

_____ _____

_____ _____

Zip Code:_____ Zip Code:_____

My Account Number:_____ My Account Number:_____

Minimum Monthly Payment:_____ Minimum Monthly Payment:_____

Maturity Date:_____ Maturity Date:_____

(d) Judgments/Lawsuits Against Me:

Judgments: Total Amount: $_____

None [ ]

Lawsuits: Summarized on attachment [ ]

None [ ]

(I) (We) certify that the foregoing information is true and correct.

(I) (We) authorize 130 WEST 30TH, LLC and/or its authorized agent to check (my) (our) credit history and to obtain reports from credit agencies, bureaus and companies as to (my) (our) credit and judgment history. This Application shall remain the property of 130 WEST 30TH, LLC.

Applicant: Signature: _____

Print Name: _____

Co-Applicant: Signature: _____

Print Name: _____

Date:_____, 200__

All Applicants Please Note:

ALL SELF EMPLOYED applicants must, if requested, submit a signed copy of their federal income tax return and a copy of their latest annual business financial statements.

If 130 WEST 30TH, LLC or its authorized agent obtains a Credit Report for your purchase application, or any updates, renewals or extensions of any credit granted to you, upon written request, 130 WEST 30TH, LLC will give you the name and address of the agency furnishing the report.

orm **W-9**
ev. December 1996)
epartment of the Treasury
ternal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do NOT send to the IRS.

Please print or type

Name (If a joint account or you changed your name, see Specific Instructions on page 2.)

Business name, if different from above. (See Specific Instructions on page 2.)

Check appropriate box: ☐ Individual/Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). However, if you are a resident alien OR a sole proprietor, see the instructions on page 2. For other entities, it is your employer identification number (EIN). If you do not have a number, see How To Get a TIN on page 2.

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 the instructions on page 2.)

▶

Part III 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 the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, 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. (See the instructions on page 2.)

Sign Here — Signature ▶ Date ▶

Purpose of Form.—A person who is required to file an information return with the IRS must get your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 to give your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify the TIN you are giving is correct (or you are waiting for a number to be issued).
2. Certify you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are an exempt payee.

Note: If a requester gives you a form other than a W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

What Is Backup Withholding?—Persons making certain payments to you must withhold and pay to the IRS 31% of such payments under certain conditions. This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

If you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return, payments you receive 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. The IRS tells the requester that you furnished an incorrect TIN, or
3. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
4. You do not 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 do not certify your TIN when required. See the Part III instructions on page 2 for details.

Certain payees and payments are exempt from backup withholding. See the Part II instructions and the separate Instructions for the Requester of Form W-9.

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 backup withholding, you are subject to a $500 penalty.

Criminal Penalty for Falsifying Information.—Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs.—If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

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Form **W-8**
(Rev. November 1992)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status

Please print or type

Name of owner (If joint account, also give joint owner's name.) (See Specific Instructions.) | 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 from permanent address (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 | Account type | Account number | 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).

☐ For DIVIDENDS, I am not a U.S. citizen or resident (or I am filing for a foreign corporation, partnership, estate, or trust).

☐ 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

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) nonresident withholding rates.*

Nonresident Alien Individual

For income tax purposes, "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, one-third the number of days of presence in the first preceding year, and only one-sixth 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.

Note: *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.*

Exempt Foreign Person

For purposes of this form, you are an "exempt foreign person" for a calendar year in which:

1. You are a nonresident alien individual or a foreign corporation, partnership, estate, or trust,

2. You are an individual who has not been, and plans not to be, present in the United States for a total of 183 days or more during the calendar year, and

3. You are neither engaged, nor plan to be engaged during the year, in a U.S. trade or business that has effectively connected gains from transactions with a broker or barter exchange.

If you do not meet the requirements of 2 or 3 above, you may instead certify on Form 1001, Ownership, Exemption, or Reduced Rate Certificate, that your country has a tax treaty with the United States that exempts your transactions from U.S. tax.

Filing Instructions

When To File.—File Form W-8 or substitute form before a payment is made. Otherwise, the payer may have to withhold and send part 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). 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.

Note: *On January 1, 1993, the backup withholding rate increases from 20% to 31%.*

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 brokers 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

(Continued on pa

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Document 1D

Pre-Closing

ESCROW AGREEMENT

AGREEMENT made as of December 10, 2002, between: 130 WEST 30TH, LLC, ("**SPONSOR**"), having an office address at c/o H. Justin Realty Services, LLC, 115 West 30th Street, Suite 203, New York, New York 10001; Mandel Resnik Kaiser Moskowitz & Greenstein P.C. ("**ESCROW AGENT**"), having offices at 220 East 42nd Street, New York, New York 10017.

STATEMENT OF FACTS

A. SPONSOR is the sponsor of an offering plan ("**Offering Plan**") to convert to condominium ownership the land and building erected thereon and known by the residential street address of 130 West 30th Street (a/k/a 128-134 West 30th Street), New York, New York 10001.

B. ESCROW AGENT is authorized to act as escrow agent hereunder in accordance with General Business Law ("**GBL**") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder.

C. SPONSOR desires that ESCROW AGENT act as escrow agent for purchase money deposits and payments by purchasers ("**purchasers**") under the Offering Plan pursuant to the terms of this Agreement.

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 SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding purchase money deposits or payments made by purchasers. The escrow account has been opened with Citibank, N.A. ("**Depository**") at its office located at 153 East 53rd Street, New York, New York. The master escrow account number is [redacted].

1.2 The name of the account is "Mandel Resnik & Kaiser P.C. Escrow Account".

1.3 Richard M. Resnik, Barry H. Mandel, Nicholas J. Kaiser, Robert W. Freiman, Ivan W. Moskowitz, Dennis H. Greenstein, Elizabeth D. Schrero, Lorrie B. Franco and David M. Monachino, the officers and shareholders of ESCROW AGENT, are the sole signatories on behalf of ESCROW AGENT for withdrawal of monies from the escrow account.

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1.4 The escrow account shall be an interest-bearing account as disclosed in the Offering Plan.

1.5 The escrow account is not an IOLA established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All purchase money funds received from prospective purchasers prior to closing, (other than any payments for any **"Special Work"**, as defined in the Purchase and Sale Agreement), whether in the form of checks, drafts, money orders, wire transfers or other instruments which identify the payor, shall be deposited in a segregated subaccount of the master escrow account. All instruments to be deposited into the escrow subaccount shall be made payable to, or endorsed by the purchaser to the order of, *"Mandel Resnik Kaiser Moskowitz & Greenstein P.C. as Escrowee for 130 West 30th Street Plan"*. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser promptly, but in no event more than five business days following receipt of such instrument by ESCROW AGENT. In the event of such return, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 In the event a purchaser's instrument is dishonored or is returned uncollected, ESCROW AGENT will with reasonable promptness after receipt deliver the dishonored or uncollected instrument to SPONSOR, if so requested by SPONSOR.

2.3 At the time the contract deposit check is delivered to ESCROW AGENT, such check will be accompanied by the purchaser's Purchase and Sale Agreement and Internal Revenue Service form W-8 "Certificate of Foreign Status" (for a non-resident alien or a foreign entity) or W-9 "Request for Taxpayer Identification Number and Certification" (for a United States citizen or resident alien), as applicable.

2.4 After ESCROW AGENT receives a check for purchaser's contract deposit, ESCROW AGENT shall send purchaser by ordinary mail written notice (**"Deposit Notice"**) of the deposit of the contract deposit check for collection in the escrow account. The Deposit Notice will also state the individual account number for purchaser's escrowed funds and the interest rate in effect on or about the date of deposit. A copy of the Deposit Notice will be sent simultaneously to SPONSOR.

2.5 The Deposit Notice is to be sent to each purchaser within ten (10) business days after purchaser "tenders" the contract deposit check with the Purchase and Sale Agreement. The term **"tenders"** means the date delivered by hand or five (5) days after being sent by mail. Each purchaser's contract deposit check will be delivered to ESCROW AGENT promptly after receipt by SPONSOR or

SPONSOR'S selling agent (if any) in order that the Deposit Notice may timely be sent to purchaser.

2.6 If a purchaser does not receive the Deposit Notice within fifteen (15) business days after purchaser tenders the contract deposit check, the Purchase and Sale Agreement will provide that:

(a) purchaser's sole remedy will be either (at purchaser's option): (i) to cancel the Purchase and Sale Agreement and recover the purchase monies with any earned interest; or (ii) to apply to the Attorney General for relief;

(b) if purchaser elects to cancel, purchaser must do so in writing sent to SPONSOR (as provided in the Purchase and Sale Agreement) within a deadline of ninety (90) days after purchaser tenders the contract deposit check, but in no event later than the date purchaser closes title;

(c) purchaser will be regarded as having conclusively waived purchaser's right to cancel in the event purchaser does not send the cancellation notice in such period (time being of the essence); and

(d) purchaser will not have the right to cancel the Purchase and Sale Agreement or recover the purchase monies and any interest where proof satisfactory to the Attorney General is submitted establishing that the contract deposit check was timely deposited and the Deposit Notice was timely mailed to purchaser in accordance with the Attorney General's regulations.

3. RELEASE OF FUNDS.

3.1 ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after consummation of the Offering Plan as defined in the Attorney General's regulations. 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 escrowed funds of a purchaser in escrow until they are:

(a) paid to SPONSOR at closing with purchaser pursuant to the terms of the Purchase and Sale Agreement (ESCROW AGENT shall instruct the Depository to pay the interest to purchaser); or

(b) paid pursuant to a determination of the Attorney General; or

(c) paid pursuant to a judgment or order of a court of competent jurisdiction; or

(d) released pursuant to paragraph 3.3 or paragraph 3.4 and the regulations of the Attorney General pertaining to release of escrowed funds.

3.3 SPONSOR shall not object to the release of the escrowed funds to 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 timely cancels in accordance with a right of cancellation in the Purchase and Sale Agreement.

3.4 If a closing under a Purchase and Sale Agreement with a purchaser does not occur and SPONSOR demands that a purchaser's escrowed funds and any interest be paid to SPONSOR based upon such purchaser's uncured default or otherwise, the following will apply:

(a) ESCROW AGENT will give purchaser not fewer than ten (10) business days' written notice of SPONSOR'S demand for payment of the escrowed funds and any interest;

(b) at the expiration of such ten (10) business days, ESCROW AGENT will pay the escrowed funds and any interest to SPONSOR unless prior to making the payment: (i) ESCROW AGENT receives written notice from purchaser that purchaser objects to the release of the escrow funds and interest to Sponsor and stating the basis of such objection or that purchaser has made application ("**Dispute Resolution Application**" or "**Application**") to the Attorney General pursuant to the dispute resolution provisions contained in the Attorney General's regulations; or (ii) ESCROW AGENT is served with a judgment or order ("**Restraining Order**") of a court of competent jurisdiction restraining ESCROW AGENT from making such payment;

(c) ESCROW AGENT will continue to hold the escrowed funds and interest for as long as required by any interim directive issued by the Attorney General or a Restraining Order (whichever is applicable);

(d) if the Attorney General denies the Dispute Resolution Application or the Restraining Order is vacated (as applicable), ESCROW AGENT will pay the escrowed funds and any interest to SPONSOR; and

(e) if the Attorney General grants the Dispute Resolution Application or the Restraining Order is not vacated (as applicable), ESCROW AGENT will pay the escrowed funds and any interest in accordance with: (i) (in the case of a Dispute Resolution Application) a final, non-appealable determination of the Attorney General served on ESCROW AGENT; or (ii) (in the case of a Restraining Order) a final, non-appealable judgment or order of a court of competent jurisdiction served on ESCROW AGENT.

3.5 In the event of a dispute by SPONSOR, or purchaser or ESCROW AGENT, the following will apply:

(a) SPONSOR must, and purchaser or ESCROW AGENT may, submit a Dispute Resolution Application (on the form required by the Attorney

General's regulations) to the Attorney General for a determination on the disposition of a purchaser's escrowed funds and any interest;

(b) the party making the Dispute Resolution Application shall contemporaneously send to all other parties a copy of such Application;

(c) SPONSOR shall not initiate a lawsuit to resolve the dispute unless SPONSOR submits a Dispute Resolution Application to the Attorney General and the Application is denied (however, this does not preclude SPONSOR from bringing an appropriate legal proceeding to review and overturn an unfavorable determination by the Attorney General);

(d) instead of applying to the Attorney General: (i) a purchaser may initiate a lawsuit to resolve the dispute; or (ii) the ESCROW AGENT will have the right of a stakeholder either to continue to hold the escrowed funds and interest or to deposit them or the disputed portion into court as permitted by law;

(e) pending the determination of the Attorney General to grant or deny the Application, SPONSOR, purchaser and ESCROW AGENT will abide by any interim directive issued by the Attorney General;

(f) if the Application permitting release of the escrowed funds is granted, the escrowed funds and any interest will be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted;

(g) if the Application is denied, ESCROW AGENT will either deposit the escrowed funds and interest (or the disputed amount) into court as permitted by law or continue to hold and disburse them in accordance with: (i) a written direction signed by both SPONSOR and purchaser; or (ii) a final, non-appealable judgment or order of a court of competent jurisdiction served on ESCROW AGENT;

(h) in no event will ESCROW AGENT release the escrowed funds or interest in dispute unless paid into court or until the dispute is finally resolved either by written agreement signed by SPONSOR and purchaser, or a final, non-appealable determination of the Attorney General or a non-appealable judgment or order of a court of competent jurisdiction; and

(i) in the event ESCROW AGENT is uncertain as to ESCROW AGENT'S duties or doubts the genuineness of any document or signature, ESCROW AGENT may refrain from taking any action and continue to hold the escrowed funds and interest until the uncertainty or genuineness is resolved or deposit them (or the amount in question) in court.

3.6 The provisions of this paragraph 3 will be contained in each Purchase and Sale Agreement.

4. RECORD KEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven (7) years after release of the funds.

4.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners or members 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 his 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 accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

5.3 Upon payment of the escrowed funds and interest in accordance with the Attorney General's regulations, ESCROW AGENT is released and discharged by SPONSOR of ESCROW AGENT'S obligations under this Agreement and from all "Claims and Expenses" (as defined in paragraph 9) arising out of or concerning ESCROW AGENT'S duties or services under this Agreement.

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall immediately deliver to ESCROW AGENT all purchase money deposits and payments received from each purchaser by them prior to closing of such purchaser's individual transaction (other than any payments for said Special Work).

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.

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 with the Department of Law providing for a successor escrow agent; or

(b) the resignation of ESCROW AGENT upon giving notice to SPONSOR of ESCROW AGENT'S desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor escrow agent; or

(c) all units offered pursuant to the Offering Plan have been sold and all sales transactions have been consummated.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 above, ESCROW AGENT shall deliver to the new escrow agent any and all funds held by Escrow Agent in escrow hereunder and any and all contracts or documents maintained by ESCROW AGENT relating to the escrow account.

8. FAILURE OF DEPOSITORY.

8.1 ESCROW AGENT and SPONSOR will not be liable for the amount of interest earned or collected on the funds in the escrow account or for any losses resulting from the failure of the Depository. The escrowed funds will be maintained in an account insured by the Federal Deposit Insurance Corporation for the maximum amount insured by applicable federal law.

9. SPONSOR'S INDEMNITY.

9.1 SPONSOR will defend (by attorneys of ESCROW AGENT), indemnify and hold harmless ESCROW AGENT against and from all "Claims and Expenses" of whatsoever nature arising out of or concerning ESCROW AGENT'S duties or services under this Agreement, other than those based on ESCROW AGENT'S gross negligence or willful misconduct. This indemnity includes (without limitation) "Claims and Expenses" based on ESCROW AGENT'S good faith error in judgment or good faith action or inaction or mistake of fact or law. **"Claims and Expenses"** include (without limitation) claims, lawsuits, judgments, losses, damages, liabilities, penalties, costs and expenses, including reasonable legal fees either paid to retain attorneys or representing the fair value of legal services rendered by ESCROW AGENT to itself, disbursements, court costs and other litigation expenses. This provision shall survive the termination of this Agreement.

10. REPRESENTATION OF SPONSOR IN LAWSUIT.

10.1 ESCROW AGENT may represent SPONSOR in any lawsuit, whether or not related to the escrowed funds or a Purchase and Sale Agreement with a purchaser and irrespective of ESCROW AGENT being in possession of the escrowed funds.

11. SUCCESSORS AND ASSIGNS.

11.1 This Agreement shall be binding upon, and shall inure to the benefit of and be enforceable by, SPONSOR and ESCROW AGENT and their respective successors and assigns.

12. GOVERNING LAW.

12.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York, without regard to legal principles of conflict of laws.

13. ESCROW AGENT'S COMPENSATION.

13.1 SPONSOR shall compensate ESCROW AGENT for acting in such capacity.

13.2 SPONSOR agrees that ESCROW AGENT'S compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to ESCROW AGENT shall not be deducted from escrowed funds by any financial institution under any circumstance.

14. SEVERABILITY.

14.1 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 the other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

15. ENTIRE AGREEMENT.

15.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitute the entire agreement between the parties with respect to the subject matter hereof.

16. CHANGES AND WAIVERS.

16.1 The provisions of this Agreement may be changed or waived only in writing signed by the party to be charged, except the escrow and trust fund requirements of the Attorney General's regulations may not be changed or waived.

16.2 The failure to insist on strict performance of any provision will not mean that the provision has been waived or that the right to insist thereafter on strict performance of that or any other provision has been waived.

17. NOTICES.

17.1 Any notice, request, consent, election, demand or other communication (collectively called "**notice**") to be given or made under this Agreement shall be

in writing and delivered by hand or sent by telecopier, overnight delivery by Federal Express or other recognized carrier, or by certified or registered mail (return receipt requested), postage prepaid, deposited in an official mail depository maintained by the United States Postal Service.

17.2 Each notice is to be sent to the parties at their respective addresses stated on page 1 of this Agreement. A notice to a purchaser shall be sent to purchaser's address for notices in the Purchase and Sale Agreement.

17.3 Each party may give notice to the other of a change in address or person to whom future notices are to be sent.

17.4 Unless otherwise provided in this Agreement, each notice will be considered effective only if and when given or sent as provided in paragraphs 17.1 and 17.2 above. Any specified period of time following the giving or sending of a notice shall begin on the day delivered by hand or sent by telecopier (unless it is not a business day or is received after business hours, in either such case the period shall begin on the next ensuing business day), or the first business day after being sent by overnight delivery, or the second business day after being mailed. However, a notice of a change of address or person will not be deemed effective until actually received.

17.5 Failure to accept a notice is deemed receipt of it and does not affect the effectiveness, validity or enforceability of the notice or excuse or justify delaying the performance of an obligation.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

Mandel Resnik Kaiser Moskowitz & Greenstein P.C.

Signature: _____
Name: Alan L. Kazlow, Esq.
Title: Counsel

SPONSOR:

130 West 30th, LLC
a New York limited liability company

By:
Signature: _____
Henry J. Justin, as Member

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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 downpayment.
[ ] other: _____

_____

5. The project is [ ] 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: _____

_____

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DOCUMENT 1F

INSTRUCTIONS:
- Use only for potential sale.
- Sign 2 originals.
- Deliver: 1 to Prospective Buyer; 1 to Prospective Seller.

NOTICE OF 10-DAY OPPORTUNITY TO CONDUCT A RISK ASSESSMENT OR INSPECTION FOR THE PRESENCE OF LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS ("NOTICE")

LEAD WARNING STATEMENT

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

10-DAY OPPORTUNITY TO TEST OR INSPECT FOR LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS

You will be given a 10-day opportunity to conduct a risk assessment or inspection (collectively, **"assessment/inspection"**) before entering into a Purchase Agreement. To arrange an assessment/inspection, please contact _____, _____ (telephone no. (___) _____). Before conducting an assessment/inspection, you and Seller will sign and deliver to each other a "Pre-Contract Inspection Agreement", which contains the terms applicable to the assessment/inspection and is set forth as Document 1G of the condominium offering plan for the subject premises.

DISCLOSURE FORM

At the time a Purchase Agreement is entered into, you and Seller will sign and deliver to each other a form entitled "Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards", in which you acknowledge (among other things) that you received a 10-day opportunity to conduct a test/inspection or waived the opportunity to do so.

RECEIPT OF THIS NOTICE
THIS ___ DAY OF _____, 200__
IS HEREBY ACKNOWLEDGED BY PROSPECTIVE PURCHASER:

PROSPECTIVE PURCHASER:

Signature: _____ Signature: _____

Print Name: _____ Print Name: _____

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Mandel Resnik Kaiser Moskowitz & Greenstein P.C.
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DOCUMENT 1G

INSTRUCTIONS:
- Use before signing sale contract.
- Complete and sign 4 originals.
- Deliver: 2 to Prospective Seller; 2 to Prospective Purchaser.

■ PRE-CONTRACT INSPECTION AGREEMENT

[Fill in] **"Date"**: _____ _____, 200___.

"Parties" (individually **"Party"**):

■ **"I"** am the Party signing below as "Prospective Purchaser" of the subject Unit.

[Fill in for Buyer]

My address for notices and telephone numbers are:

_____
[Street]

_____
[City] [State] [Zip Code]

Telephone No.: (____)_____ (____) _____
Home Business

■ **"You"** are the Party signing below as the "Prospective Seller" of the subject Unit.

Your address for notices and telephone number are:

[Fill in Seller]

_____
[Street]

_____
[Office/Floor No.]

_____
[City] [State] [Zip Code]

Attention: _____

Telephone No.: (____)_____
Home

[Fill in] **"Unit"**: Residential Unit _____ of the Building.

[Fill in] **"Building"**:

_____
[Street]

_____
[City] [State] [Zip Code]

SIGNATURE PAGE OF PRE-CONTRACT INSPECTION AGREEMENT

The **"Provisions"** (individually, **"Provision"**) of this Pre-Contract Inspection Agreement (**"Agreement"**) are contained in Provisions "1" through "15", which start on the following page 2 entitled "*Provisions of Pre-Contract Inspection Agreement*" and form a part of this Agreement.

We are signing this Agreement to evidence our agreement to be bound by these Provisions.

PROSPECTIVE SELLER:

[Fill in and sign]

_____
[Name of Seller

By: _____(Signature)

_____(Print Name)

_____(Print Title)

PROSPECTIVE PURCHASER:

Signature: _____

Print Name: _____

NO FEE, COMMISSION OR COMPENSATION IS EARNED, DUE OR PAYABLE TO UNDERSIGNED IN CONNECTION WITH THIS AGREEMENT

_____
[Signature of Broker/Agent]

_____
[Print Name of Broker/Agent

_____
[Date]

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PROVISIONS OF PRE-CONTRACT INSPECTION AGREEMENT

Table of Contents

Caption		Page
1.	Definitions	2
2.	Election for Risk Assessment or Inspection	2
3.	Access	2
4.	Liability for Damages, Injuries and Litigation	3
5.	No Invasive Assessment/Inspection	3
6.	No Obligation to Buy or Sell the Unit	4
7.	Notices	4
8.	No Negative Construction Against Drafting Party	5
9.	Governing Law; Venue; and Service of Lawsuits	5
10.	Invalid Provisions Severed	5
11.	Binding Effect; Seal and Notarization Not Required; Successors; Assignment Prohibited	5
12.	Merger	5
13.	Changes and Waivers	5
14.	Broker	6
15.	Table of Contents and Captions; References; and Grammar	6

1. Definitions

1.1 The meanings stated for the words within quotation marks on the first page and elsewhere in this Agreement apply wherever these words appear in this Agreement.

2. Election for Risk Assessment or Inspection

2.1 I have elected to conduct a risk assessment or inspection (collectively, "**Assessment/Inspection**") for the presence of lead-based paint and/or lead-based paint hazards in accordance with my rights under applicable Federal regulations ("**Regulations**"), namely: 24 CFR Part 35 and 40 CFR Part 745.

2.2 I understand that I am to conduct the Assessment/Inspection within 10 full calendar days after I receive this Agreement signed by, or on behalf of, you. Thereafter, all of my rights under this Agreement to conduct the Assessment/Inspection will end and I will be deemed conclusively to have waived my rights under the mentioned Regulations to conduct a Assessment/Inspection.

2.3 Promptly after being received by me, I will give you, without any kind of fee or charge, a written report of the results of the Assessment/Inspection, including a copy of a report (if any) issued by my "Consultant" (defined in Provision "3.1") and a copy of the laboratory or other report (if any) analyzing samples (if any) taken during the Assessment/Inspection.

3. Access

3.1 In order to conduct the Assessment/Inspection, I and my contractor, engineer or other consultant (collectively, "**Consultant**") will be given reasonable access to the Unit and public areas of the Building in accordance with this Agreement.

3.2 The Assessment/Inspection will be held at a mutually convenient time and date. Unless otherwise agreed, the Assessment/Inspection will occur between 9:00 a.m. and 5:00 p.m. on a day ("**business day**") that is not a Saturday, Sunday or legal holiday of the State of New York or the U.S. government. I will give you or (if you designate someone to represent you) your designated

representative at least two (2) full business days' advance notice of my proposed date of the Assessment/Inspection.

3.3 I and my Consultant will conduct the Assessment/Inspection in a reasonable manner so as not to disturb or interfere with the use, operation, security or occupancy of the Building or the units therein.

3.4 Unless waived in writing by you (in your sole and absolute discretion), you or your designated representative (as applicable) will have the right to accompany me and my Consultant (if any) during the Assessment/Inspection and the Assessment/Inspection will not be made without you or such representative (as applicable) being present.

4. Liability for Damages, Injuries and Litigation

4.1 I will be liable, and reimburse you upon demand, for any damages (to the Unit or elsewhere), injuries and all claims and lawsuits (collectively "**litigation**") caused by me or my Consultant while conducting the Assessment/Inspection.

4.2 My liability and obligation for reimbursement include:

(a) all reasonable costs and expenses you pay or incur to restore the applicable damaged area to the condition existing immediately before the Assessment/Inspection;

(b) all judgments, awards, losses, damages, penalties and fines resulting from such damages or injuries; and

(c) all "**reasonable litigation costs and expenses**" (that is, reasonable legal fees and disbursements, court costs and all related litigation expenses) to defend any such litigation against you as well as to enforce your rights to collect monies I may owe you under this Agreement.

4.3 You will have the exclusive right:

(a) to repair the damage to and make all repair decisions (including the selection of all materials, suppliers and manufacturers, as well as all contractors, professionals and workers engaged to perform the work); and

(b) to defend, conduct and control the litigation and to make all litigation decisions (including the selection of the attorneys).

5. No Invasive Assessment/Inspection

5.1 I and my Consultant (if any) will not perform an "Invasive Assessment/Inspection" (defined below) without first obtaining your written approval.

5.2 You are not obligated to give such approval. If you elect to approve, then any such approval is conditioned upon my escrowing with your attorneys, under a separate agreement to be entered into, a mutually agreeable amount to secure my liability for damages under Provisions "4.1" and "4.2" above.

5.3 An "**Invasive Assessment/Inspection**" is any kind of probe, penetration or disturbance of a painted or covered surface.

6. No Obligation to Buy or Sell the Unit

6.1 This is NOT a reservation, option, commitment or agreement for the purchase or sale of the Unit and you are not in any way bound or obligated to sell the Unit to me.

6.2 You are NOT obligated to reserve or withhold the Unit from sale for me and are free to offer and contract to sell the Unit to others without any kind whatsoever of recourse by me against you.

6.3 You are NOT obligated to abate, contain, remove or make any corrections in the event of the existence of lead-based paint or lead-based paint hazards.

6.4 This Agreement is NOT a lien against the Unit.

6.5 I will not record this Agreement and I will violate a substantial obligation to you if I try to record this Agreement. In the event of such violation, I will be liable, and will reimburse you upon demand, for all damages, losses, costs and expenses (including all reasonable litigation costs and expenses) you may pay or incur as a result of such violation as well as to enforce your rights and to collect monies due you under this Provision "6".

6.6 My agreements, obligations and liabilities under these Provisions are binding, enforceable and independent, and are NOT conditional upon my entering into a purchase agreement for the Unit.

7. Notices

7.1 Unless otherwise expressly provided elsewhere in this Agreement, any notice, request, consent, election, waiver, designation, demand or other communication (collectively, "**notice**") to be given or made to or by the Parties in connection with this Agreement must be in writing and either: (a) delivered by hand, telecopier (with electronic confirmation followed by mail confirmation given within one business day thereafter) or overnight delivery by Federal Express or other recognized carrier guaranteeing the next day delivery; or (b) sent by certified or registered mail, return receipt requested, postage prepaid.

7.2 Each notice to a Party will be addressed to the Party at its address given in the preamble on the first (signature) page.

7.3 A copy of each notice shall be sent simultaneously and in like manner to the person and address (if any) specified by a Party in a notice to the other Party.

7.4 Each Party may, by notice to the other, change the address to which future notices are to be sent or change or add a person to whom a notice or a copy of a notice is to be sent.

7.5 Unless otherwise provided elsewhere in this Agreement, each notice shall be considered to be given on: (a) the date delivered by hand or sent by telecopier (unless it is not a business day or is not received before 5:30 p.m., in which case the notice shall be considered given on the first business day after being so delivered or sent); (b) the next business day after being given to a recognized carrier for overnight delivery; (c) the second full business day following the date of mailing in the City and State of New York; or (d) the third full business day following the date of mailing outside the City and State of New York. However, a notice of a change of address or person pursuant to Provision "7.4", shall not be deemed given until received.

7.6 A notice that is mailed shall be deposited into a branch office or an official mail depository maintained by the United States Postal Service.

7.7 Failure to accept a notice is deemed receipt of it and does not invalidate the notice or excuse the performance of an obligation.

8. No Negative Construction Against Drafting Party

8.1 The Parties agree that the normal rules of construction to resolve ambiguities against the Party whose counsel drafted this Agreement shall not be followed in the interpretation of this Agreement. Consequently, no negative inference or interpretation shall be made by a court in enforcing the Provisions of this Agreement against the Party whose attorney drafted this Agreement.

9. Governing Law; Venue; and Service of Lawsuits

9.1 The internal laws of the State of New York will govern this Agreement and the interpretation and enforcement of its Provisions, without regard to legal principles of conflict of laws.

9.2 Any lawsuit or proceeding arising out of this Agreement: (a) must be brought in the Supreme Court of the State of New York; (b) must be brought in the County in which the Unit or Prospective Seller is located, and; (c) may be commenced by serving the summons and/or complaint by certified or registered mail (return receipt requested), postage prepaid, deposited in an official mail depository maintained by the U.S. Postal Service, and sent to the Party at the Party's address for notices set forth in Provision "7.2" or any other address of which the Party has given notice in accordance with Provision "7.4."

10. Invalid Provisions Severed

10.1 The invalidity or unenforceability of all or part of a Provision of this Agreement shall not affect the validity of the other Provisions of the unaffected other parts of such Provision, which shall be enforced to the fullest extent permitted by law.

11. Binding Effect; Seal and Notarization Not Required; Successors; Assignment Prohibited

11.1 This Agreement binds, benefits and is enforceable by and against each Party and each Party's successors. A reference in this Agreement to a Party includes such Party's successors.

11.2 This Agreement is effective, binding and enforceable without the seal of a corporate Party or the acknowledgement or notarization of a signature.

11.3 I may not assign this Agreement or my rights or interests under this Agreement and any purported assignment thereof shall be null and void and shall constitute a substantial violation of this Agreement by me.

12. Merger

12.1 All prior or contemporaneous statements, representations, promises, negotiations, discussions, projections, opinions, estimates, understanding and agreements of any kind whatsoever not set forth herein, whether oral or written, are merged in, and superseded by, this Agreement and have no effect unless they are expressly contained in this Agreement.

13. Changes and Waivers

13.1 A Provision of this Agreement may be changed or waived only in writing signed by the Party to be charged, except that a deemed waiver under Provision "2.2" of my rights under the Regulations for failing to conduct a Assessment/Inspection within the 10 day period stated therein shall be automatic, without the necessity of a writing.

13.2 The failure to enforce or insist on strict performance of any Provision will not mean or infer that the Provision has been waived or that the right to enforce or insist thereafter on strict performance of that or any other Provision has been waived. A waiver of any breach or violation of

any Provision is not, and shall not be construed as, a waiver of any other or subsequent breach or violation thereof.

14. Broker

14.1 I represent to you that I have not dealt with any broker, agent or salesperson (collectively, "**broker**") in connection with this Unit other than the broker (if any) identified on the first (signature) page hereof.

14.2 I agree that such broker (if any) is NOT entitled to receive from you, and you are NOT liable or obligated to pay to any such broker, any fee, commission or compensation in connection with this Agreement. I also agree that your obligations (if any) to any such broker is to be governed by a separate brokerage agreement if you elect (at your sole and absolute option and discretion) to enter into such agreement with the broker.

14.3 I agree to indemnify and hold you harmless, and to promptly upon demand reimburse you, for all losses, damages, costs and expenses (including all reasonable litigation costs and expenses) you may pay or incur as a result of my representations and agreements in this Provision "14".

15. Table of Contents and Captions; References; and Grammar

15.1 The Table of Contents and captions used herein are for convenience only and do not control or affect the meaning or interpretation of any Provision.

15.2 All references in this Agreement to a Provision, paragraph, clause or page refers to the Provisions, paragraphs, clauses and pages of this Agreement.

15.3 The use of the singular includes the plural and the use of any gender or tense (past, present or future) includes any other gender or tense whenever required by the sense of this Agreement.

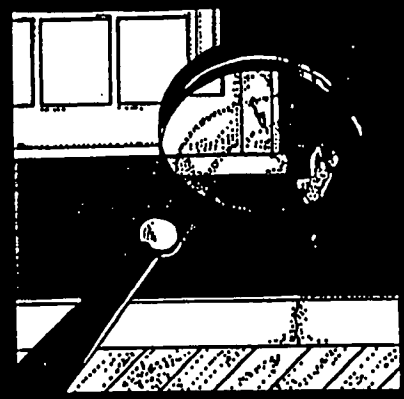
END OF PRE-CONTRACT INSPECTION AGREEMENT

Simple Steps To Protect Your Family From Lead Hazards

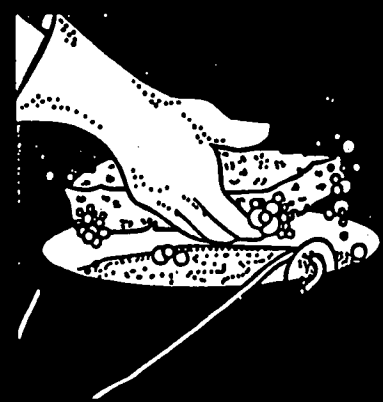
If you think your home has high levels of lead:

- Get your young children tested for lead, even if they seem healthy.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods.
- Get your home checked for lead hazards.
- Regularly clean floors, window sills, and other surfaces.
- Wipe soil off shoes before entering house.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- Don't use a belt-sander, propane torch, dry scraper, or dry sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

Recycled/Recyclable
Printed on paper that contains at least 20 percent postconsumer fiber.







Protect Your Family From Lead in Your Home

DOCUMENT 1H

EPA
United States
Environmental Protection
Agency

United States Consumer
Product Safety Commission

U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207

EPA747-K-94-001
May 1995

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.

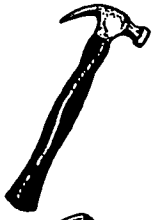
By 1996, federal law will require that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



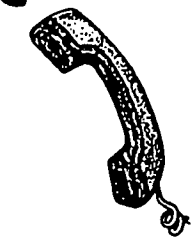
LANDLORDS will have to disclose known information on lead-based paint hazards before leases take effect. Leases will include a federal form about lead-based paint.



SELLERS will have to disclose known information on lead-based paint hazards before selling a house. Sales contracts will include a federal form about lead-based paint in the building. Buyers will have up to 10 days to check for lead hazards.



RENOVATORS will have to give you this pamphlet before starting work.



IF YOU WANT MORE INFORMATION on these requirements, call the National Lead Information Clearinghouse at **1-800-424-LEAD.**

This document is in the public domain. It may be reproduced by an individual or organization without permission. Information provided in this booklet is based upon current scientific and technical understanding of the issues presented and is reflective of the jurisdictional boundaries established by the statutes governing the co-authoring agencies. Following the advice given will not necessarily provide complete protection in all situations or against all health hazards that can be caused by lead exposure.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children that seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips with lead in them.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

1 out of every 11 children in the United States has dangerous levels of lead in the blood-stream.

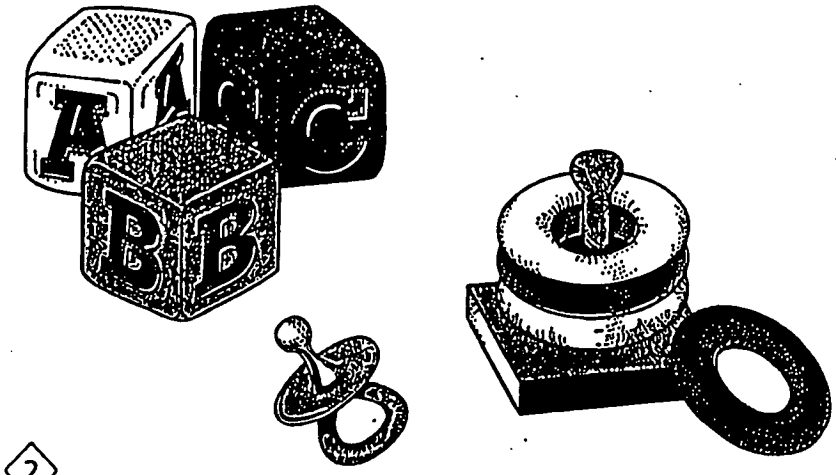
Even children who appear healthy can have dangerous levels of lead.

People can get lead in their body if they:

- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.
- Breathe in lead dust (especially during renovations that disturb painted surfaces).

Lead is even more dangerous to children than adults because:

- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.
- Children's growing bodies absorb more lead.
- Children's brains and nervous systems are more sensitive to the damaging effects of lead.



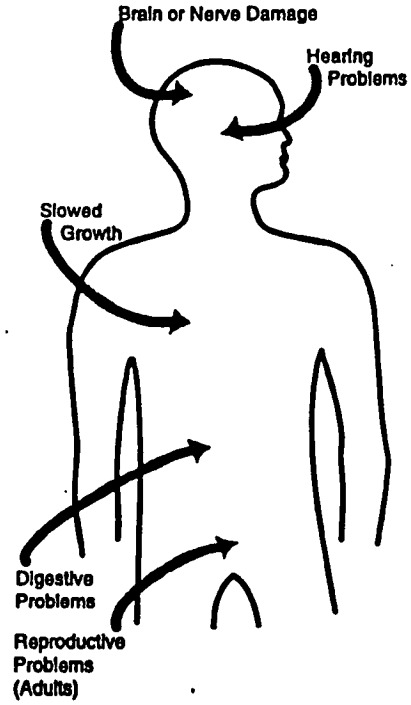
Lead's Effects

If not detected early, children with high levels of lead in their bodies can suffer from:

- Damage to the brain and nervous system
- Behavior and learning problems (such as hyperactivity)
- Slowed growth
- Hearing problems
- Headaches

Lead is also harmful to adults. Adults can suffer from:

- Difficulties during pregnancy
- Other reproductive problems (in both men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain



Lead affects the body in many ways.

Checking Your Family for Lead

Get your children tested if you think your home has high levels of lead.

A simple blood test can detect high levels of lead. Blood tests are important for:

- Children who are 6 months to 1 year old (6 months if you live in an older home with cracking or peeling paint).
- Family members that you think might have high levels of lead.

If your child is older than 1 year, talk to your doctor about whether your child needs testing.

Your doctor or health center can do blood tests. They are inexpensive and sometimes free. Your doctor will explain what the test results mean. *Treatment can range from changes in your diet to medication or a hospital stay.*

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside *and* outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint, or other sources such as past use of leaded gas in cars.)

Where Lead Is Likely To Be a Hazard

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards

Lead-based paint that is in good condition is usually not a hazard.

Peeling, chipping, chalking, or cracking lead-based paint is a hazard and needs immediate attention.

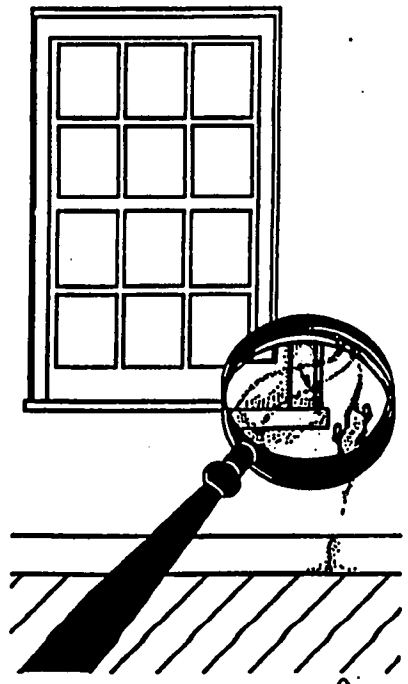
Lead-based paint may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear. These areas include:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, and banisters.
- Porches and fences.

Lead dust can form when lead-based paint is dry scraped, dry sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can reenter the air when people vacuum, sweep, or walk through it.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. Call your state agency (see page 12) to find out about soil testing for lead.





Checking Your Home for Lead Hazards

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home checked for lead hazards in one of two ways, or both:

- A paint **inspection** tells you the lead content of every painted surface in your home. It won't tell you whether the paint is a hazard or how you should deal with it.
- A **risk assessment** tells you if there are any sources of serious lead exposure (such as peeling paint and lead dust). It also tells you what actions to take to address these hazards.

Have qualified professionals do the work. *The federal government is writing standards for inspectors and risk assessors. Some states might already have standards in place.* Call your state agency for help with locating qualified professionals in your area (see page 12).



Trained professionals use a range of methods when checking your home, including:

- Visual inspection of paint condition and location.
- Lab tests of paint samples.
- Surface dust tests.
- A portable x-ray fluorescence machine.

Home test kits for lead are available, but recent studies suggest that they are not always accurate. Consumers should not rely on these tests before doing renovations or to assure safety.

DOC 11-5

What You Can Do Now To Protect Your Family

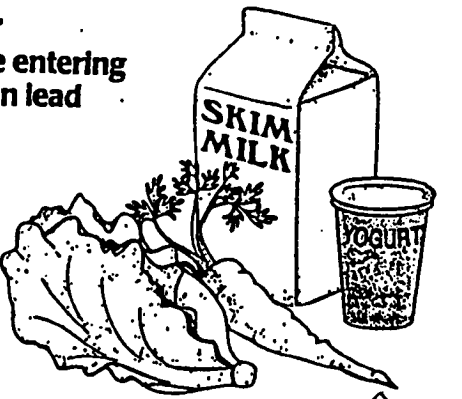
If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:



- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly.** Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.



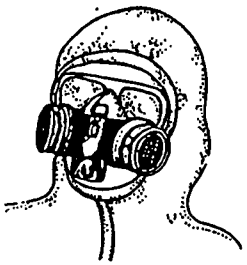
- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas.**
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**
- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and low-fat dairy products. Children with good diets absorb less lead.



How To Significantly Reduce Lead Hazards

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- To **permanently** remove lead hazards, you must hire a lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not enough.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. If possible, hire a certified lead abatement contractor. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Call your state agency (see page 12) for help with locating qualified contractors in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

Take precautions before you begin remodeling or renovations that disturb painted surfaces (such as scraping off paint or tearing out walls):



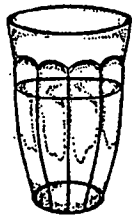
- **Have the area tested for lead-based paint.**
- **Do not use a dry scraper, belt-sander, propane torch, or heat gun** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.

If not conducted properly, certain types of renovations can release lead from paint and dust into the air.



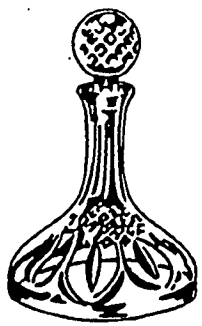
Other Sources of Lead



While paint, dust, and soil are the most common lead hazards, other lead sources also exist.

DOC 11-7





- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your clothes separately from the rest of your family's.
- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information

The National Lead Information Center

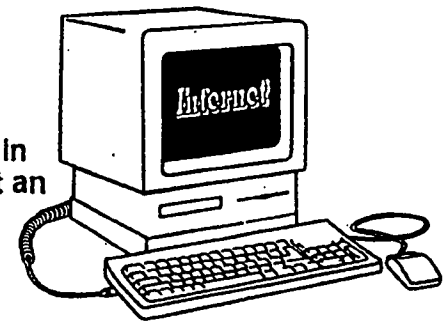
Call **1-800-LEAD-FYI** to learn how to protect children from lead poisoning.

For other information on lead hazards, call the center's clearinghouse at **1-800-424-LEAD.** For the hearing impaired, call, **TDD 1-800-526-5456** (FAX: **202-659-1192,** Internet: **EHC@CAIS.COM**).



EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.



Consumer Product Safety Commission Hotline

To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772.** (Internet: info@cpsc.gov). For the hearing impaired, call **TDD 1-800-638-8270.**

Local Sources of Information

State Health and Environmental Agencies

Some cities and states have their own rules for lead-based paint activities. Check with your state agency (listed below) to see if state or local laws apply to you. Most state agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards.

State/Region	Phone Number
Alabama	(205) 242-5661
Alaska	(907) 465-5152
Arkansas	(501) 661-2534
Arizona	(602) 542-7307
California	(510) 450-2424
Colorado	(303) 692-3012
Connecticut	(203) 566-5808
Washington, DC	(202) 727-9850
Delaware	(302) 739-4735
Florida	(904) 488-3385
Georgia	(404) 657-6514
Hawaii	(808) 832-5860
Idaho	(208) 332-5544
Illinois	(800) 545-2200
Indiana	(317) 382-6662
Iowa	(800) 972-2026
Kansas	(913) 296-0189
Kentucky	(502) 564-2154
Louisiana	(504) 765-0219
Massachusetts	(800) 532-9571
Maryland	(410) 631-3859
Maine	(207) 287-4311
Michigan	(517) 335-8885
Minnesota	(612) 627-5498
Mississippi	(601) 960-7463
Missouri	(314) 526-4911
Montana	(406) 444-3671
Nebraska	(402) 471-2451
Nevada	(702) 687-6615
New Hampshire	(603) 271-4507
New Jersey	(609) 633-2043
New Mexico	(505) 841-8024
New York	(800) 458-1158
North Carolina	(919) 715-3293
North Dakota	(701) 328-5188
Ohio	(614) 466-1450
Oklahoma	(405) 271-5220
Oregon	(503) 248-5240
Pennsylvania	(717) 782-2884
Rhode Island	(401) 277-3424
South Carolina	(803) 935-7945
South Dakota	(605) 773-3153
Tennessee	(615) 741-5683
Texas	(512) 834-6600
Utah	(801) 536-4000
Vermont	(802) 863-7231
Virginia	(800) 523-4019
Washington	(206) 753-2556
West Virginia	(304) 558-2981
Wisconsin	(608) 266-5885
Wyoming	(307) 777-7391

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)
John F. Kennedy Federal Building
One Congress Street
Boston, MA 02203
(617) 565-3420

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)
Building 5
2890 Woodbridge Avenue
Edison, NJ 08837-3679
(908) 321-6671

Region 3 (Delaware, Washington DC, Maryland, Pennsylvania, Virginia, West Virginia)
841 Chestnut Building
Philadelphia, PA 19107
(215) 597-9800

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)
345 Courtland Street, NE
Atlanta, GA 30365
(404) 347-4727

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)
77 West Jackson Boulevard
Chicago, IL 60604-3590
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)
First Interstate Bank Tower
1445 Ross Avenue, 12th Floor, Suite 1200
Dallas, TX 75202-2733
(214) 665-7244

Region 7 (Iowa, Kansas, Missouri, Nebraska)
726 Minnesota Avenue
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)
999 18th Street, Suite 500
Denver, CO 80202-2405
(303) 293-1603

Region 9 (Arizona, California, Hawaii, Nevada)
75 Hawthorne Street
San Francisco, CA 94105
(415) 744-1124

Region 10 (Idaho, Oregon, Washington, Alaska)
1200 Sixth Avenue
Seattle, WA 98101
(206) 553-1200

CPSC Regional Offices

Eastern Regional Center
6 World Trade Center
Vesey Street, Room 350
New York, NY 10048
(212) 466-1612

Central Regional Center
230 South Dearborn Street
Room 2944
Chicago, IL 60604-1601
(312) 353-8260

Western Regional Center
600 Harrison Street, Room 245
San Francisco, CA 94107
(415) 744-2966

[Residential] [Storage]* Unit _____
Tax Lot: _____

DOCUMENT 2

EXHIBIT E TO DECLARATION OF CONDOMINIUM ESTABLISHING 130 WEST 30TH STREET CONDOMINIUM

UNIT OWNER'S POWER OF ATTORNEY

[To be Executed in Triplicate]

This Unit Owner's Power of Attorney is being made as of _____, _____, by _____ (hereinafter (collectively)* called **"Principal"**), having an (office)* (residence)* address at _____, as owner of the unit designated in the Declaration as [Residential] [Storage] Unit _____ (**"Unit"**) of 130 West 30th Street Condominium, located at 130 West 30th Street (a/k/a 128-134 West 30th Street), New York, NY, and also designated as Tax Lot ___ in Section 3, Block 805 on the Tax Map, in favor of the individuals who from time to time comprise the Board of Managers of said Condominium, in their capacity as Board Members, 130 West 30th, LLC, the Commercial Unit Owners, each Authorized First Sold Residential Unit Owner and each Sold and Unsold Unit Owner, and each Successor of each such Attorney-in-Fact, as provided in Sections 3 and 7 below.

** Delete where inapplicable.*

TERMS: The terms of this Unit Owner's Power of Attorney are set forth in Sections 1 through 10, which start on the page immediately following the Acknowledgment entitled "Terms of Unit Owner's Power of Attorney".

TABLE OF CONTENTS

Section	Caption	Page	Section	Caption	Page
Section 1.	Definitions	3	Section 6.	Examples of Certain Actions Authorized under Limited Power of Attorney	6
Section 2.	Unit Owned by Principal	3			
Section 3.	Authorization, Appointment and Designation of Agents and Attorneys-in-Fact	3	Section 7.	Successor Attorney-In-Fact and Board Members	6
Section 4.	Power of Substitution	5	Section 8.	Table of Contents and Headings	6
Section 5.	Unaffected by Disability or Incompetence	6	Section 9.	References	6
			Section 10.	Grammar	6

AFFIRMATION AND ATTESTATION: Principal affirms, attests and covenants that this instrument is legal and valid, has been duly authorized by all requisite organizational action, is being duly executed by a duly authorized signatory, and is binding upon and fully enforceable against Principal in accordance with its terms, and may be so relied upon each "Attorney-in-Fact" (as defined and identified in this instrument).

PRINCIPAL:

Signature: _____

_____
[Name of Principal]

Name: _____

By: _____
[Name of Principal's General Partner or Manager/Member

Signature: _____

Name: _____

_____
[Print Name of Signatory]

_____
[Title of Signatory]

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Mandel Resnik Kaiser Moskowitz & Greenstein P.C.
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ACKNOWLEDGMENT

State of New York)
) ss.:
County of _____)

On the _____ day of _____ in the year _____ before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

State of New York)
) ss.:
County of _____)

On the _____ day of _____ in the year _____ before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

State of New York)
) ss.:
County of _____)

On the _____ day of _____ in the year _____ before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

TERMS OF UNIT OWNER'S POWER OF ATTORNEY

Section 1. **Definitions**

1.1 The following terms are frequently used in this instrument and will have the respective meanings given to them:

"**Building**": The building known by the street address for the Residential Units of 130 West 30th Street (a/k/a 128-134 West 30th Street), New York, New York 10001.

"**By-Laws**": The By-Laws of the Condominium set forth as EXHIBIT D to, and recorded together with, the Declaration, as such By-Laws or a provision thereof may be amended from time-to-time in accordance with its provisions.

"**Condominium**": The condominium which is the subject of the Declaration, known as 130 West 30th Street Condominium and established on the Property by the filing and recording of the Declaration, the By-Laws and the Floor Plans of the Condominium.

"**Declarant**" or "**Sponsor**": 130 West 30TH, LLC.

"**Declaration**": The instrument entitled "Declaration of Condominium Establishing a Plan for Condominium Ownership of the Premises known as and by the street number for the Residential Units of 130 West 30th Street (a/k/a 128-134 West 30th Street), New York, New York 10001 and executed by 130 West 30TH, LLC, as Declarant, and recorded in the New York County Office of the Register of the City of New York on _____, 200__ in Reel ____, at page _____, thereby establishing a condominium regime of ownership of the Property under Article 9-B of the Real Property Law of the State of New York, as such Declaration may be amended from time to time in accordance with its provisions by a duly executed and recorded instrument.

"**Land**": The parcel of land on which the Building is located and more particularly described in EXHIBIT A to the Declaration.

"**Property**": The Land and Building and all other improvements on or under the Land.

"**Tax Map**": The Tax Map of the Real Property Assessment Department of The City of New York for the Borough of Manhattan, County of New York, in the State of New York.

"**Unit**" or "**Principal's Unit**": The Unit of the Condominium owned by Principal and more particularly identified in the preamble of this Unit Owner's Power of Attorney.

1.2 The words and terms used herein without express definition that are also used in the Declaration (including EXHIBIT C thereof) and the By-Laws shall have the same meanings as they do in said instruments.

Section 2. **Unit Owned by Principal**

2.1 Principal is the owner of record of fee title interest in the Unit of the Condominium. The Unit and its Tax Lot identified in the preamble of this Unit Owner's Power of Attorney correspond to the designation of the Unit in the Declaration and on the Floor Plans of the Condominium ("**Floor Plans**") filed with the Real Property Assessment Department of The City of New York and the designation of the Tax Lot of the Unit in Section 3, Block 805 on the Tax Map of the Borough of Manhattan of said Real Property Assessment Department and on said Floor Plans.

Section 3. **Authorization, Appointment and Designation of Agents and Attorneys-in-Fact**

3.1 Principal hereby confirms all powers of attorney deemed to have been granted and given by Principal under the Declaration and By-Laws and, in furtherance thereof, Principal reaffirms same below.

3.2 With the intention to constitute a durable limited power of attorney, Principal does hereby irrevocably authorize, appoint and designate each of the following (each, an "**Attorney-in-Fact**") as agent and Attorney-in-Fact of Principal, "coupled with an interest" and for valuable consideration, with full power of substitution, to act on behalf and as agent of Principal and in the name, place and stead of the Principal in any way which the Principal could do if personally present, to the full extent that Principal is permitted by law to act through an agent, with respect only to all of those matters, transactions and Dispositions stated in the Declaration or By-Laws that each such Attorney-in-Fact has the authority or power to do or perform on behalf and as agent of Principal, including (but not limited to) the following:

(a) the Sponsor (that is, 130 West 30TH, LLC), each Unit Owner and the individuals who shall from time-to-time constitute the members of the Condominium Board (in their capacity as Board Members) of the persons listed in Section 22.6 of the Declaration, severally, as agent and Attorney-in-Fact of Principal, having the right, power and authority to amend the Condominium Documents in accordance with Article 22 of the Declaration and Article 22 of the By-Laws, including an Amendment to reflect a Unit Change of a Unit owned by the applicable Attorney-in-Fact in accordance with Article 13 of the Declaration;

(b) the Sponsor and the individuals who shall from time to time constitute the Condominium Board (in their capacity as Board Members), severally, as agent and Attorney-in-Fact of Principal, having the right, power and authority to grant Utility Easements and Rights and Additional Utility Easements/Rights in accordance with Section 11.11 of the Declaration, or to record a correction Declaration in accordance with Section 21.6 of the Declaration;

(c) the Sponsor, each and every Unsold Unit Owner, the tenants of an Unsold Unit and other Persons who are so expressly authorized by Declarant or an Unsold Unit Owner, severally, as agent and Attorney-in-Fact of Principal, having the right, power and authority to erect and install Communications Equipment and Other Installations on and in portions of the Common Elements, and to thereafter inspect use, lease, license, Operate, Repair and Alter same thereon and therein, all as set forth in Section 11.14 of the Declaration; and

(d) the individuals who shall from time-to-time constitute the Condominium Board, in their capacity as Board Members and by resolution of a majority of the then existing Board Members or Residential Board Members attending a duly constituted Board meeting at which a quorum is present or by resolution of the Commercial Board Members (as applicable and as provided in the Declaration or By-Laws), as agent and Attorney-in-Fact of Principal, having the right, power and authority to do the following in the name of the Condominium Board or in the name of Condominium Board's nominee or designee, corporate or otherwise (where applicable and provided in the Declaration or By-Laws):

(d-1) the right, power and authority to exercise, perform, give, grant, delegate and withhold the powers, rights, licenses, easements, leases, subleases, concessions, mortgages, deeds, security interests, collateral, Government Documents, Litigation Documents, instruments, approvals, consents, discretions and judgments expressly authorized in the Condominium Documents (as each may be amended from time-to-time) to be exercised, performed, given, granted, delegated and withheld by the Condominium Board on behalf and as agent of all or certain Unit Owners (as applicable), including in particular (but not limited to) the following rights, powers and authority:

(d-1.1) the right, power and authority to acquire or lease in the name of the Condominium Board or its nominee or designee, corporate or otherwise, on behalf of only the Residential and Storage Unit Owners, any Sold Residential Unit and/or Sold Storage Unit, together with its appurtenant Common Interest(s), from any Sold Residential Unit Owner and/or Sold Storage Unit Owner desiring to sell, convey, transfer, assign or lease the same in accordance with the Match Offer Right or Right of First Refusal (as provided in the By-Laws), upon such terms and conditions as shall be approved by the Board, in its sole discretion, but subject to obtaining the approval of a majority in Common Interest of those Residential and Storage Unit

Owners attending a duly constituted meeting of such Unit Owners called for such purpose, at which a quorum is present;

(d-1.2) the right, power and authority to acquire in the name of the Condominium Board or its nominee or designee, corporate or otherwise, on behalf of Unit Owners, any Unit, together with its appurtenant Common Interest, whose Owner elects to surrender the same pursuant to subsection 8.11 of the By-Laws;

(d-1.3) the right, power and authority to acquire in the name of the Condominium Board or its nominee or designee, corporate or otherwise, on behalf of all or certain Unit Owners (as applicable), any Unit, together with its appurtenant Common Interest, and other real property, whether at a sale following a foreclosure of the lien for unpaid Common Charges pursuant to the By-Laws and Section 339-aa of the Condominium Act, or to so acquire and purchase a Unit and its appurtenant Common Interest by deed given in lieu of such foreclosure, or otherwise, and in any such case upon such terms and conditions as shall be approved by the Board in its sole discretion; and

(d-1.4) (after any such acquisition or leasing pursuant to the preceding clause (d-1.1), (d-1.2) or (d-1.3), as applicable) the right, power and authority to convey, sell, lease, mortgage and otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired or purchased by the Board or its nominee or designee, or to sublease any Unit so leased by the Board or its nominee or designee, without the necessity of further authorization by the said Unit Owners, on such terms as the attorneys-in-fact may determine;

(d-2) the right, power and authority to execute, acknowledge, deliver and, if necessary, record any application, document, declaration or other instrument, or any Amendment thereto, affecting:

(d-2.1) the Condominium Association, the Property, the Common Elements or the Association's Properties, or a portion thereof, that the Condominium Board deems necessary or appropriate or is required to so do under the Declaration or the By-Laws in connection with the following: (a) to comply with any Law (including a zoning resolution or variance, or a requirement of a Governmental Authority, such as the Department of Buildings, the City Planning Commission or the Board of Standards and Appeals); or (b) to permit or facilitate the Use and Enjoyment of all or part of the Common Elements or the Association's Properties or the Units by their respective Owners or Permitted Tenants/Occupants/Invitees of Units in accordance with the Condominium Documents; or

(d-2.2) a Unit (including a Sponsor Unit, an Unsold Unit or a Commercial Unit) or (if established) its appurtenant Individual Limited Common Element that the Owner of such Unit requests, if required by the Declaration or the By-Laws or if deemed appropriate by said Attorney-in-Fact in its sole and absolute discretion; and

(d-3) the right, power and authority to execute, acknowledge, deliver and record an instrument pursuant to which the Restrictive Declaration is amended, modified or cancelled, as provided in Article 31 of the Declaration.

Section 4. **Power of Substitution**

4.1 The power of substitution in the foregoing limited power of attorney in Section 3 includes the full and unqualified authority of each Attorney-in-Fact to delegate any or all of the foregoing powers given or conferred upon such Attorney-in-Fact in Section 3 to any person or persons whom such Attorney-in-Fact shall select.

Section 5. **Unaffected by Disability or Incompetence**

5.1 The limited power of attorney in Section 3 shall be a durable power of attorney and shall not be affected by the subsequent disability or incompetence of the Principal.

Section 6. **Examples of Certain Actions Authorized under Limited Power of Attorney**

6.1 The actions authorized by Principal to be performed by the Condominium Board as Attorney-in-Fact of Principal pursuant to Section 3 include all of the specific powers and duties enumerated in the By-Laws in Section 2.4 thereof.

Section 7. **Successor Attorney-In-Fact and Board Members**

7.1 Principal hereby irrevocably gives to, and confers upon, each of the following ("**Successor Attorney-in-Fact**") all of the powers herein given to, and conferred upon, Sponsor and each Unit Owner (including a Sold or Unsold Unit Owner or a Commercial Unit Owner):

(a) a "successor in interest" of Sponsor or such Unit Owner (as applicable), and each and every successive successor in interest thereof;

(b) a "Designee" of Sponsor or an Unsold Unit Owner or a Commercial Unit Owner (as applicable) with respect only to those of these powers that are so delegated to such Designee and each and every successive successor in interest thereof; and

(c) an "Involuntary Transferee" of each of the foregoing and a successor in interest of such Involuntary Transferee and each and every successive successor in interest thereof.

The quoted terms in the preceding clauses (a), (b) and (c) are defined in Article 28 of the Declaration.

7.2 The designation and appointment of Declarant or an Unsold Unit Owner or a Commercial Unit Owner or a Sold Unit Owner and each Successor Attorney-in-Fact as an Attorney-in-Fact of Principal pursuant to Section 3 and Section 7.1, respectively, shall remain in full force and effect until (but not after) Sponsor or the Person who owns an Unsold Unit or Commercial Unit or Sold Unit (as applicable) or said Successor Attorney-in-Fact, as applicable, ceases to own any Unit of the Condominium.

7.3 The designation and appointment of the Board Members (in their capacity as Board Members) as Attorney-in-Fact of Principal pursuant to Section 3 shall apply to, inure to the benefit of, and shall be exercisable and enforceable by each and every individual who shall from time to time constitute a member of the Condominium Board, in such individual's capacity as a Board Member.

Section 8. **Table of Contents and Headings**

8.1 The Table of Contents and Section headings in this instrument are for convenience and reference only and do not, and shall not be construed to, affect the meaning or interpretation of any provision of this instrument.

Section 9. **References**

9.1 The words "Section", "paragraph" and "clause" or similar words refer to a Section, paragraph and clause of this instrument, unless otherwise expressly stated. Similarly, the words "hereof", "herein", "above", "below" and similar terms mean this instrument.

Section 10. **Grammar**

10.1 Any word or term in this instrument that is: used in the singular, shall include the plural and vice versa; or used in any gender shall include any other gender; or used in any tense (past, present or future), shall include any other tense, whenever required by the sense of this instrument and not contrary to the express context.

END OF UNIT OWNER'S POWER OF ATTORNEY

UNIT OWNER'S POWER OF ATTORNEY

FROM

Principal: _____

_____

TO

Attorney-in-Fact: **BOARD OF MANAGERS OF 130 WEST 30TH STREET CONDOMINIUM**

AND

Attorney-in-Fact: **130 WEST 30TH, LLC**

AND

Attorney-in-Fact: **EACH COMMERCIAL UNIT OWNER, AUTHORIZED FIRST SOLD RESIDENTIAL UNIT OWNER AND SOLD AND UNSOLD UNIT OWNER**

Attorney-in-Fact: **EACH SUCCESSOR OF EACH SUCH ATTORNEY-IN-FACT**

Condominium: **130 WEST 30TH STREET CONDOMINIUM**
Address of Condominium Property: **130 WEST 30TH STREET (a/k/a 128-134 West 30th Street) NEW YORK, NEW YORK 10001**

Principal's Unit: **[Residential] [Storage]* Unit No. _____**

County: New York
Section: 3
Block: 805
Lot: _____

* *Delete where inapplicable.*

RECORD AND RETURN TO:

Law Offices of
MANDEL RESNIK KAISER MOSKOWITZ & GREENSTEIN P.C.
220 East 42nd Street
New York, New York 10017
Attention: Alan L. Kazlow, Esq.

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DOCUMENT 3
CONDOMINIUM UNIT DEED

THIS INDENTURE, made the ____ day of _____, 200_, between:

130 WEST 30TH, LLC, a New York limited liability company having an office at c/o H. Justin Realty Services LLC, 115 West 30th Street, Suite 203, New York, New York 10001 (the **"Grantor"**);

and

_____

_____

having an address at _____
(the **"Grantee"**).

W I T N E S S E T H:

That the Grantor, in consideration of Ten and 00/100 Dollars ($10.00) and other good and valuable consideration paid by the Grantee, the receipt and sufficiency of which are hereby acknowledged, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

the condominium Unit (the **"Unit"**) in the building (the **"Building"**) known as 130 WEST 30TH STREET CONDOMINIUM (the "**Condominium**") and by the residential street number 130 West 30th Street, in the Borough of Manhattan and the City, County and State of New York, said Unit being designated and described as [Residential] [Storage] Unit No. _____ in that certain declaration dated _____, 200__, 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 (the **"Land"**) upon which the Building is situated (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 (the "**City Register's Office**") on _____, 200__, in Reel _____, page _____ (such declaration and, if amended, the amendments thereto set forth on EXHIBIT B annexed hereto and by this reference made a part hereof are hereinafter collectively referred to as the **"Declaration"**); this Unit also being designated as Tax Lot _____ in Section 3, Block 805 on the Tax Map of the Real Property Assessment Department of The City of New York for the Borough of Manhattan and County of New York and on the "**Floor Plans**" of the Building, certified by Alfred G. Carballude, R.A., on _____, 200__, and filed with

the Real Property Assessment Department of The City of New York on _____, 200_, as Condominium Plan No. ____ and also filed in the City Register's Office on _____, 200_, as Condominium Plan No. ____, Map No. ____;

together with an undivided _____% interest in the Common Elements of the Condominium;

together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

together with all right, title and interest, if any, of Grantor in and to all strips and gores adjacent to the Land described in EXHIBIT A hereto, and easements, if any, appurtenant thereto;

together with, and subject to, the rights, power, duties, obligations, easements, licenses, requirements, burdens, encroachments, limitations, restrictions (including those with respect to permitted use, occupancy and Disposition of the Unit) and other provisions set forth in, or permitted by, the Declaration, Floor Plans and the by-laws (including the Rules and Regulations appended thereto) of the Condominium, as each may be duly amended from time to time (said by-laws and, if amended, the amendments thereto set forth on EXHIBIT B hereto are hereinafter collectively called the "**By-Laws**"), all of which shall 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; and

subject also to all exceptions to title and to such other liens, agreements, covenants, easements, restrictions, declarations, consents and other matters of record or set forth in the Condominium Offering Plan for 130 WEST 30TH STREET CONDOMINIUM as pertain to the Unit, to the Land and/or to the Building (the Land and Building are hereinafter collectively called the **"Property"**);

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

The words and terms used in this instrument without express definition that are also used in the Declaration or the By-Laws of the Condominium shall have the same meanings as they do in said instruments.

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 otherwise fails to comply with the Condominium Act, or if any provision that 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, the applicable provisions of Article 21 of the Declaration shall control.

Except as otherwise expressly permitted by the Condominium Board or provided in the Declaration or the By-Laws, if the Unit is a Residential Unit, the Unit is intended for use only as a dwelling and for any home occupation allowed by Law; or if the Unit is a Storage Unit, the Unit is intended for use only for accessory storage.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any manner whatever, except as aforesaid. This covenant is for the personal benefit of Grantee only and cannot be assigned to, or enforced or exercised by, and shall not inure to the benefit of, anyone else, including (but not limited to) any insurer of Grantee's title or any successor of Grantee's interest. In the event of any breach of these covenants, Grantee shall first seek recovery against Grantee's title insurance company (if any) and Grantor's liability hereunder shall be limited to the extent only that Grantee's loss or damage is not insured by Grantee's title insurer. In the event that Grantee shall elect not to purchase title insurance, then the liability of Grantor shall be limited to the extent only that any loss or damage would not have been covered by the title insurance that was available to Grantee as of the date of this conveyance. The terms of any marked-up title binder issued by any title insurer that is a member of the New York Board of Title Underwriters in connection with any unit in the Building shall be conclusive evidence against Grantee of the title insurance coverage that was available to Grantee as of the date of this conveyance.

The 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 improvements at the Property and will apply the same first to the payment of the cost of such improvements before using any part of the same for any other purposes.

By accepting this deed, the Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and the Rules and Regulations appended thereto, as same may be duly amended from time to time) and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business of the Grantor.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

130 WEST 30TH, LLC
a New York limited liability company
By: H.J. Development, LLC, Managing Member
By:

Signature:_____
Henry J. Justin, as Member

GRANTEE:

Signature:_____

Name:_____

Signature:_____

Name:_____

STATE OF NEW YORK)
): ss.:
COUNTY OF NEW YORK)

On the __ day of _____, 200_, before me, the undersigned, a notary public in and for said state, personally appeared Henry J. Justin, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

STATE OF NEW YORK)
): ss.:
COUNTY OF NEW YORK)

On the ____ day of _____, 200_, before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

_____
Notary Public

STATE OF NEW YORK)
): ss.:
COUNTY OF NEW YORK)

On the ____ day of _____, 200_, before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT A

TO

CONDOMINIUM UNIT DEED

ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND, SITUATE, LYING AND BEING IN THE BOROUGH OF MANHATTAN AND COUNTY OF NEW YORK, CITY AND STATE OF NEW YORK, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING at a point on the Southerly side of 30th Street, distance 363 feet 7 inches Easterly from the corner formed by the intersection of the Easterly side of 7th Avenue with the said Southerly side of 30th Street;

RUNNING THENCE Southerly parallel with the Easterly side of 7th Avenue, 98 feet 9 inches to the centre line of the block;

THENCE Easterly along said centre line of the block, 82 feet 7 inches to land taken by the City of New York for school purposes;

THENCE Northerly along said land and again parallel with the Easterly side of 7th Avenue, 98 feet 9 inches to the Southerly side of 30th Street;

THENCE Westerly along the Southerly side of 30th Street, 82 feet 7 inches to the point or place of BEGINNING.

Together with all right, title and interest of, in and to any streets and roads abutting the Land, to the center line thereof.

The premises are known as 130 West 30th Street (a/k/a 128-134 West 30th Street), New York, New York.

END OF EXHIBIT A

CONDOMINIUM UNIT DEED

GRANTOR: **130 WEST 30TH, STREET LLC**

TO

GRANTEE: _____

_____

CONDOMINIUM: **130 WEST 30TH STREET CONDOMINIUM**

BUILDING: **130 WEST 30TH STREET**
New York, New York 10001

PREMISES: **[Residential] [Storage] Unit No. ____**

County: New York
Section: 3
Block: 805
Lot: _____

Record and Return to:

_____

_____

_____

_____

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DOCUMENT 4

DESCRIPTION OF PROPERTY
AND SPECIFICATIONS OR BUILDING CONDITION
130 West 30th Street Condominium
130 WEST 30TH STREET
NEW YORK, NEW YORK 10001

PREPARED BY:
MARC KEMENY, REGISTERED ARCHITECT
K SQUARE DESIGNS, INC.
219 AVERY ROAD
GARRISON, NEW YORK
10524

130 West 30th Street Condominium
130 West 30th Street, New York, New York
PREFACE

This report concerning 130 West 30th Street, New York, New York (the "Building" or "Property" or "Premises") was commissioned by the Sponsor for the purpose of inclusion in the Condominium Offering Plan (the "Plan") for said Building in compliance with the requirements of the Department of Law of the State of New York and we hereby consent to such use. Any use of this report for any other purpose is not authorized by Marc Kemeny R.A./ K Square Designs, Inc.

We visually inspected existing portions of the Premises during the months of July, August, October and November, 2002. We also examined architectural plans A-01 through A-18 (and HC 1 and 2 describing accessibility requirements), dated 01/08/03 prepared by CMA Design Studio P.C. (Carballude, Morris & Associates) which delineate the proposed alteration of the Building to residential use, as well as tax lot certification drawings T-0 through T-25 dated 9/16/02 and revised 12/23/02. We also reviewed the following mechanical/electric engineering plans prepared by the office of Stanislav Slutsky, mechanical engineer: H101 through H114 (heating, ventilation, air conditioning dated 01/13/03), H201 through H208 (HVAC schedules, diagrams, and details dated 01/13/03), P101 through P114 (plumbing floor plans dated 01/13/03), P201 through P212 (plumbing riser diagrams, schedules, and details), FP 101 through FP113 (fire protection drawings dated 01/13/03), FP 201 through FP 203 (fire protection riser, diagram, and details dated 01/13/03), FA1 and FA2 (electric sprinkler fire alarm dated 01/08/03), E101 through E113 (electric plans dated 12/24/02), and E201 & E202 (electric panel schedule dated 12/24/02). A Phase 1 environmental site assessment prepared by IVI Environmental, Inc., environmental engineers dated August 28, 2001 was also consulted as well as an environmental Assessment statement dated June 10, 2002 by Philip Habib and Associates. A project manual that describes the general scope of work for rehabilitating the facades of the Building (not dated or attributed) was also reviewed. These plans and documents were reviewed for informational purposes but were not evaluated as to the safety, adequacy, code or zoning compliance of the architecture, structural, mechanical, electrical engineering or actual construction and we make no representation or warranty regarding them. Observations were made of those areas that were open and accessible at the time of the visits. Marc Kemeny/ K Square Designs assume no responsibility for any conditions or defects that were hidden, inaccessible, or could not be determined by cursory observation. It is to be understood that some aspects of the physical condition of the Property cannot be determined from visual observation and examination of available plans, and all statements contained in this report are premised on and limited to such observations. This report is not intended as a guarantee or warranty of the physical condition of the Premises by the Architect. All statements relative to the legal use, zoning provisions, and code compliance of the Building only express Marc Kemeny's professional opinion, as an employee of K Square Designs, and are subject to final determination by those government agencies having jurisdiction.

The Sponsor has not undertaken to correct or repair any existing conditions noted in this report, unless otherwise expressly provided. The definitions in the Plan apply to all terms used in this report without express definition.



Marc Kemeny, R.A.

January 20, 2003

a) LOCATION AND USE OF PROPERTY

1) **Address:** 130 West 30th Street
New York, New York
Property is located on the southern side of 30th Street between 6th & 7th Avenues in Manhattan.

2) **Block and Lot Number**:
Block: 805
Lot: 81

3) **Zoning**
Current zoning is **M1-6** per the New York City Zoning Resolution. The Building is not in an historic landmark district but when the special permit is granted (see below), the Building will be designated as an individual landmark, which means that the Building cannot be enlarged or modified (exterior) without approval of the New York Landmarks Preservation Commission.

4) **Permissible Use**
Current zoning allows commercial and light manufacturing uses. The Sponsor has applied for a special permit (ULURP#: 020447ZSM) from the City Planning Commission to allow for the conversion of the Building to residential use. When this permit is granted, the Building will be designated as an individual landmark and the Property will be subject to a restrictive declaration, which will require the Condominium Board to comply with a continuing maintenance program (see Plan for details). Approval is pending as of 11/15/02. There will be no remaining development rights left as the Building is over-built.

b) STATUS OF CONSTRUCTION

1) **Year Built:**
The Building was built in 1927 (per new building application 233 of 1927).

2) **Class of Construction**
The Building classification is fireproof construction per the Certificate of Occupancy

3) **Certificate of Occupancy**
The Building Certificate of Occupancy is number 15251 issued by the Building Department on May 14, 1929, which lists stores on the ground floor and showrooms and factories on the 2nd through 18th floors. This is consistent with the existing use. The Sponsor has indicated that there will be no 13th floor Unit designations-that the Units will go from 12A, 12B, and 12C to 14A, 14B, and 14C. This means that above the 12th floor the Unit numbers will be one numeral higher than the floor number: for instance Unit15A will be located on the 14th floor. The floor designations in this report will include the 13th floor.

The proposed residential conversion will constitute a change of use and will be

filed as an Alteration Type 1 application with the Building Department to convert the Building to mixed- use consisting of Commercial Units on the ground level, mezzanine, cellar, and sub-cellar, and Residential and Storage Units above. The Sponsor will perform all the work required by the Building Department necessary to obtain the Certificate of Occupancy. The Sponsor will secure Temporary Certificates of Occupancy for the individual Units before obtaining the Certificate of Occupancy. The Sponsor will close on individual Units as they receive Temporary Certificates of Occupancy and will be responsible for securing the permanent Certificate of Occupancy at the completion of construction. Proposed uses will conform to the new Certificate of Occupancy.

4) **Alteration Permit Numbers**
The proposed residential conversion will constitute a change of use and is being filed as an Alteration Type 1 application with the Building Department to convert the Building to mixed- use, consisting of Commercial Units on the ground level, mezzanine, cellar, and sub-cellar, and residential use above (Alteration #103184876). An Alteration Type 2 Application covering sprinkler work will be filed in conjunction with the governing Alteration 1 application. Work will be filed with the City Landmarks Preservation Commission for their approval.

c) SITE

1) **Size**
The site is located on the South side of West 30th Street in Manhattan mid-block between 6th and 7th Avenues. The lot is approximately 82'7" wide (which is the frontage on 30th Street) and approximately 98'9" deep. Refer to the documents in the Plan for precise dimensions of the land. The Building is approximately 401 feet from Seventh Avenue.

2) **Number of Buildings and Use**
There is one building on the lot. The Certificate of Occupancy authorizes light manufacturing, commercial, showroom, and retail uses.

3) **Streets Owned or Maintained by the Project**
The site does not own or maintain a street. The asphalt paved street in front of the Building is owned by the City and is in reasonable condition with catch basins at intersections. The curbs are concrete or steel in fair shape. There are no curb cuts. Street lighting is New York City maintained standard lighting and is adequate with a light pole approximately 25 feet west of the Building and another pole approximately 20 feet east of the Building.

4) **Drives, Sidewalks, and Ramps**
There are no drives or ramps on the Property. There are no curb cuts. The sidewalk is built of concrete and is in fair condition. Some minor cracking was observed but does not appear to present a tripping hazard. The Building has cellar vaults which project under the sidewalk. They have been re-built and appear to be in fair condition. There

are two sidewalk vault access openings that have been discontinued but still have the grates in the sidewalk. They are in fair condition. There is also a sidewalk grate in fair condition that provides access to the Building oil tank. The other sidewalk grates are in good condition.

d) UTILITIES

Water service is provided by the City of New York and is a municipal service. The sewer is a municipal sanitary service and the storm system drains into the municipal storm water system. Incoming water will be provided by a single metered service that will be a Common Charge to the Residential and Storage Units. There will be a separate sub-meter for each of the two Commercial Units requiring water service, and they will pay for their water usage as per the sub-meter.

Gas is provided by Consolidated Edison Company of New York, a regulated public utility and will be Common Charge, including the domestic hot water system for the Residential Units. Incoming gas will be via a single metered service that will be a Common Charge to the Residential and Storage Units. There will be a separate sub-meter for each of the Commercial Units requiring gas service, and they will pay for their gas usage as per the sub-meter.

Electricity is provided by Consolidated Edison. Common charges, per the master meter, will include power for all public areas including lighting, public stairways, and elevators. Each Residential and Commercial Unit will be individually metered for electricity and will pay for electricity directly to the utility as per its separate meter. The Storage Units will be included on the Building's master electric meter.

Residential Unit Owners will be responsible to make individual arrangements for cable television services with providers with direct billing to user.

Telephone service is provided by the Verizon Company, a regulated utility. All Residential Unit owners will be responsible to make individual arrangements for direct billing to user.

Maintenance costs for utilities for common areas including water, gas, and electric will be included in the Common Charges.

e) SUB-SOIL CONDITIONS

1) Foundations

Visual inspection of the cellar and sub-cellar walls and floors as well as the exterior facades did not indicate any settlement or movement. No cracking, mortar joint decay, spalling, bulges, or leaning conditions were observed.

2) Moisture

The cellar and sub-cellar are dry and show no sign of moisture or seepage from ground water. According to the U.S. Geological Survey map of the area, this Property is approximately 40 feet above mean sea level and is not considered to be located in a flood prone area, The area under the vault shows no signs of moisture penetration from the sidewalk above.

3) Flooding

The nearest surface water body to the Building is the Hudson River approximately 5,800 feet away. There is no indication that the Manhattan water table reaches this Building being approximately 40 feet below the land surface.

Flooding might occur in the event of a water main break in the street. No practical preventative action is suggested. Any goods stored in the cellar or sub-cellar would be damaged in the event of a flood.

f) LANDSCAPPING AND ENCLOSURES

1) **Grass**
There is no grass at the site.
2) **Plantings**
There are no plantings.
3) **Trees**
There are no trees.
4) **Fencing**
There is no fencing.
5) **Gates/enclosures**
There are no gates or enclosures.
6) **Garden Walls**
There are no garden walls.
7) **Retaining walls**
There are no retaining walls.
8) **Display pools and fountains**
There are no display pools and fountains.

g) BUILDING SIZE

1) **Height**
Building is approximately 246'-9" feet high from grade to roof.
2) **Crawl Spaces**
There are no crawl spaces.
3) **Cellar**
There is one full height cellar level and one full height sub-cellar level. Both are completely below grade. The sub-cellar is used for Building services (and also contains Commercial Units 3 and 4). The cellar area is divided into three sections: one for Building services, and one each for Commercial Units 1 an 2, which are also located on portions of the ground level. The cellar and sub-cellar areas have limited means of egress which are discussed in the Special Risk section at the end of this report.
4) **Number of floors**
There are twenty floors at and above grade plus a mezzanine level, portions of which are occupied by Commercial Units 1 and 2 on the ground and mezzanine levels. The ground floor is indicated as being the first floor. The Sponsor has indicated that there will be no 13th floor Unit designations-that the Units will go from

12A, 12B, and 12C to 14A, 14B, and 14C. This means that above the 12th floor the Unit numbers will one numeral higher than the floor number: for instance Unit15A will be located on the 14th floor. In other words, the Unit designations will skip 13, but the floor designations in this report will include the 13th floor.
The 19th floor currently contains mechanical equipment rooms that will be converted to Residential Units per the Sponsor's plans and specifications. The 20th floor, the top floor of the Building, will continue to be used as a mechanical equipment floor containing the sprinkler water reserve tank and the standpipe water reserve tank.

5) **Equipment rooms**
Equipment rooms are located on the roof , on the 20th floor, and on the cellar and sub-cellar levels. The roof will have a single elevator machine room bulkhead. The sub-cellar has a large room housing the boiler. The Building's sprinkler water reserve tank and standpipe water reserve tank are located in the 20th floor mechanical room. The cellar will contain the electric meter room, gas/water meter room, refuse compactor, telephone equipment area and elevator pit, pumps, and hot water heaters. The sub-cellar contains the Building boilers. The oil tank is in a separate enclosure in the sub-cellar and is not accessible. Some equipment such as main water intake, the house trap for water outflow and the electric service intake are located in the cellar areas of the rooms comprising part of the General Common Elements.

6) **Parapets**
The Building has continuous parapets at all levels approximately 1'10" high. This is not a safe height and will be adjusted in height to 3'6" to meet code requirements as part of the application to turn the existing roof areas into terraces. The railing detail has been approved by the Landmarks Preservation Commission.

h) STRUCTURAL SYSTEMS

1) Exterior of buildings

(i) Walls
The Building and the Building's structural system appear to be in fair shape consistent with its age and is adequate. It is a fire proof building built of masonry brick facades, concrete floors, and steel beams and columns. The steel is encased in concrete. The peripheral walls are brick. The main façade on 30th Street is highly articulated with brick patterning, terra cotta spandrel panels, bands of terra cotta friezes, and iron mullion work, all combining to justify the landmark designation. Foundation walls at the cellar look to be brick masonry and concrete. There were no signs of deteriorated mortar, spalling, settlement cracks, bulges, leaning conditions, or any other signs of distress at the foundation walls, cellar floor, cellar walls, or cellar ceilings, or on any of the floors. The underside of the floors appear to be concrete.

At the time of the site visit, scaffolding was in place through the entire width of the front façade and restoration work was underway. It appears that this work is complete on the front façade, which appears to be clean with no signs of deteriorated mortar, spalling, settlement, cracks, bulges, leaning conditions, or any other signs of distress. The rear façade of the Building was

observed to be in fair condition without settlement, bulges, or leaning conditions. Some cracks and spalling and loose mortar were observed in isolated spots on the façade. The rear façade and side facades of the Building are also going to be cleaned and the brickwork will be replaced or re-pointed, as needed , with a new Local Law #11 report issued at completion of the ongoing façade restoration (including all sides of the Building). There does not appear to be any insulation.

No leaks were observed penetrating through windows, walls, or ceilings.

(ii) Windows

All windows in the Building are being replaced with the exception of the store fronts and glass work at the main entry. The existing window sills and lintels, which appear to be in fair condition consistent with their age, will remain except where new doors are being introduced to access terraces, or where windows are installed at new locations.

The new windows (including the public stair windows), and exterior terrace doors will be manufactured by Universal Window and Door, which will provide a 10 year limited warranty for window parts, except for glass and screens, which will have a 5 year limited warranty (limited to the integrity of the glass seals). The warranty period begins at the date of purchase. The windows, doors, and frames will be aluminum with thermally improved, insulated glass. The windows will be double hung and provided with insect screens, except for windows on the front façade of the 2nd and 3rd floors, which may have pivot operation.

(iii) Landmark Status

This Building will become an individual landmark upon the issuance of the special permit, which will allow its conversion to residential use. Modifications to the Building exterior in the future, including window replacement or changes, mechanical equipment installation, additions to the roofs or terraces, have to be approved by the New York City Landmarks Preservation Commission. Experience has shown that such approvals are unlikely in most circumstances.

2) Parapets and Copings

The parapets are made of brick with cast concrete/cement copings, and both appear to be in fair shape with adequate mortar work and pointing. Various parapets have weep holes for water runoff. There were no signs of deteriorated mortar, spalling, settlement cracks, bulges, leaning conditions or any other signs of distress at the parapets and copings, except for some minor cracking observed on the 17th floor. The ongoing façade rehabilitation includes the parapets and these minor cracks will be repaired. Parapets and copings appear to be firmly secured to the Building and show no leakage.

The Building has continuous parapets at all levels approximately 1'10" high. This is not a safe height and will be adjusted in height to 3'6" to meet code requirements as

part of the application to turn the existing roof areas into terraces. The railing detail has been approved by the Landmarks Preservation Commission.

3) **Chimneys and caps**

There is an existing masonry flue for the boiler that appears to be in fair condition consistent with its age. A new steel refuse chute for the compactor, and steel fireplace flues for new fireplaces on the 18th floor will be installed per code requirements. Caps are in fair condition. The two fireplaces will be of steel construction meeting New York City code requirements.

4) **Balconies and terraces**

There are no balconies. The Building will have the following terraces:

Floor	Unit	Approximate Square Footage	
2nd floor	2C	170 SF	
10th floor	10A	186 SF	
10th floor	10B	186 SF	
11th floor	11A	86 SF	
11th floor	11B	86 SF	
12th floor	12C	192 SF	this is a planting terrace limited to ornamental plantings, subject to the discretionary approval of the Condominium Board and the Sponsor (during the Sponsor Veto Control Period), and is not usable as a terrace
14th floor	15A	599 SF	
14th floor	15B	482 SF	
15th floor	16A	160 SF	(two, approximately 80 square foot terraces)
17th floor	18A	526 SF	(Roof Terrace #1)
17th floor	18A	317 SF	(Roof Terrace #2)
19th floor	19A	261 SF	
19th floor	19B	261 SF	

19th and 20th floor roof areas are Residential Limited Common Elements.
Rear yard #1 (approximately 122 square feet) is part of Commercial Unit 1
Rear yard #2 (approximately 122 square feet) is part of Commercial Unit 2
2nd floor roof area (southeast corner of the Building adjacent to the public stairway) is a Residential Limited Common Element.
The roof areas over the mezzanines of Commercial Units 1 and 2 (near the 2nd floor) are part of Commercial Units 1 and 2.

All Terraces will be improved with Terrace surfacing of concrete pavers, or equal, and will be part of and owned by the Unit purchaser. It will be the sole responsibility of the Unit Owner to maintain his or her Terrace. Terraces will be maintained by those Units that they are appurtenant to, including keeping these areas and their drains clean, repaired and kept free and clear of snow, ice, and debris at the sole cost of the individual Residential Unit Owner. The drains and Building drainage system are Residential Limited Common Elements, other than the drains of the roof over Commercial Units 1 and 2 (near the 2nd floor), which are part of the Commercial Units. The volume of unimproved air space above the rear yard and roof enclosing Commercial Units 1 and 2 will also be part of those Commercial Units. The

Commercial Units will have the exclusive right to install equipment and ducts on their respective roofs as allowed by zoning and code. The other 2nd floor roof area is a Residential Limited Common Element and will not be surfaced with tiles or other walking surface. All Terraces will have railings that meet all code requirements, including minimum height.

5) Exterior entrances

(i,ii) Exterior doors and frames

The main entry to the Building consists of three 2'6" wide X 7'0" high, glass and metal entry doors set adjacent to each other. There is also a transom consisting of three, 2'6" X 6' (approximate) high, metal and glass panels. The same arrangement of door, side panels, and transom is repeated in the vestibule. Both assemblages are in good condition. The vestibule doors will be modified to have an electric strike locking system that will operate in conjunction with an intercom system. The security system will be manufactured by Siedel.

The ground floor façade consists of glass panels set in a thin metal framework. Framework consists of large shop windows with glass transom panels above, and metal wainscot and stone base below. There is a small area of brick and stone surrounding the main entry. Both stores have double doors leading into security vestibules. The doors have electric strike operation restricting store entry. The entire store fronts, including the doors, windows, transoms, metal work and stone work, are in fair condition consistent with their age.

(iii) Exterior stairs

There are no exterior stairs at the Building entrances. All entries are at grade.

(iv) Railings

The Building has no exterior railings.

(vi) Lighting

The exterior ground floor area by the Building entrances receive reflected illumination from interior fixtures that shine through the glass doors and storefronts. The interior lighting at the service area, the main lobby and the stores give adequate illumination to the exterior. Street lighting is New York City maintained standard lighting and is adequate, with a light pole approximately 25 feet west of the Building and another pole approximately 20 feet east of the Building

6) Service entrances

(i) Doors and frames

The service entry is on the eastern side of the Building facing 30th Street and consists of a pair of 3' X 7' doors with locks. The doors are dented and scratched but adequate for their purpose and will be retained.

(ii) **Gates**
There are no gates.

(iii) **Exterior stairs**
There are no exterior stairs.

(iv) **Railings**
There are no railings.

7) **Roof and roof structures**

(i) **Type of roof**
Roof material (including lower roofs) is built-up asphalt. Insulating values, if any, were not determined. The roofing is not bonded or guaranteed. Asphalt has been rolled approximately 8" up the parapets and around the bulkheads to form the flashing at the roof edges at which point there is also counter flashing at the seam line of the flashing. There is some gravel residue on the roof suggesting the remains of a slag covering. This is no longer the case. Because of the gravel, it was not possible to gain a comprehensive view of the roof, but several areas were clean and showed no softness or blistering, indicating that the roof is in fair condition and can be expected to last a minimum of another 5 years with routine maintenance. The 17th floor existing roof area has pavers, which have some minor cracking, but are in fair condition overall. Those roof areas that are going to be converted to terraces, will be covered with new pavers. There are no active roof leaks.

(ii) **Drains**
Terraces and roofs have internal drains that appear to be in fair condition consistent with their age. Roof bulkheads have leaders and gutters in fair condition.

(iii) **Skylights**
There is a glass skylight with a metal grid , approximately 5' X 12' in the eastern elevator machine room. This machine room is being removed (along with the elevators) and this skylight will become part of Unit 19B. The Sponsor will caulk, reseal, and replace all cracked glass in this skylight. The skylight that is in the western elevator machine room is being removed. There is also a 3' X 5' skylight in the adjacent stairwell. It has a lot of tar but is intact and appears to be in fair condition.

(iv) **Bulkheads**
There are four bulkheads on the roof: The northwest bulkheads house an internal public stairway and the elevator machine room. The eastern bulkheads cover the public stair and the freight elevator machine room (that is being removed). These elevators are being removed as part of the alteration process and the space will become part of a rooftop Unit per the plans. The

bulkheads have masonry walls and concrete floors and are in fair condition (the eastern bulkhead was not accessed but observed from a distance). The roofs consist of built-up asphalt. There was no indication of any interior leakage.

(v) Metal work at roof

There is no decorative metal work on the roof. Rooftop metal work consists of the metal stairways, railings, and small landings that access the bulkheads. All metal appears to be in fair condition consistent with its age. There are also leaders and gutters that service the roof bulkheads, which are also in fair condition.

(vi) Rooftop facilities

The Sponsor has indicated that it does not intend to provide any rooftop facilities. The Residential Limited Common Element roofs, consisting of the 2nd floor, 19th floor, 20th floor, and bulkhead roofs, will be unimproved. The roof top of the mechanical room, which is part of the General Common Elements, will also be unimproved. The parapets will not be heightened to meet code requirements for recreational use, and are not required to be.

(8) Fire escapes

The Building does not have fire escapes.

(9) Yards and courts

There are no front or side yards. There is an approximately 5' deep by 48'7" rear yard. This rear yard was not accessed but appears to be concrete and to be dry. The rear yard is being divided in half so that rear yard 1 (approximately122 square feet) is to be part of Commercial Unit 1, and rear yard 2 (approximately 122 square feet) is to be part of Commercial Unit 2.

(10) Interior stairs

(i) Number of stairs

There are two interior public stairs, #1 and #2, servicing the Building from the ground through the 19th floor. The western public stair #1 exits at the main lobby of the Building, and the eastern public stair #2, exits directly onto the street. A public stair #3, located directly under this eastern stair, exiting onto the ground floor service area provides access to the cellar and sub-cellar (not including the retail store spaces).

There is only one means of egress from the eastern retail store cellar space (Commercial Unit 2). This is insufficient to meet current code standards that require two means of egress. It was not ascertained if this is a pre-existing condition in place before the code requirement for multiple egress from cellar/sub-cellar spaces were put in place. No violation has been issued. If in the future, the New York Fire Department or Building Department require multiple egress, a door opening between the store and the adjacent cellar

public corridor would be required. Under the Offering Plan, the Owner of Commercial Unit 2 is given an easement of access to provide such opening and install a door at its sole cost and expense.

The cellar space of the western retail store, Commercial Unit 1, has two stairways providing separate means of egress.

There is only one means of egress from the sub-cellar areas. This is insufficient to meet current code standards that require two means of egress. It was not ascertained if this is a pre-existing condition in place before the code requirement for multiple egress from cellar/sub-cellar spaces were put in place. No violation has been issued If in the future, the New York Fire Department or Building Department require multiple egress, the estimated cost to provide the second means of egress would be approximately $ 45,000 if a new 2 story public stairway were to be built in the former elevator enclosure located on the eastern side of the Building (along with some partition and door work included in the cost estimate). The enclosure would be built in mechanical room #2 (which is part of the Residential Limited Common Elements) in the sub-cellar, and a specified part of Commercial Unit 2 in the cellar. See floor plan of Commercial Unit 2 in Document 5 of Part II for location. This is a Special Risk.

(ii) Enclosure

The public stair enclosures are built out of masonry and appear to have a fire rating that satisfies code requirements. The eastern public stair has a vestibule open to the elements and resembles an external fire tower stair (not uncommon when this Building was built). Both stair enclosures appear to be in fair condition with the eastern enclosure having exposed brick walls while the western stairway has plastered surfaces. There are wire glass windows at the floor landings of the western stairway. Illumination in both stairways appears adequate with illumination at each level.

The eastern public stairway #2 is located on the southern side of the Building from the mezzanine level up, and on the northern side of the Building from the mezzanine level down. The mezzanine passageway, which is part of the Residential Limited Common Elements, is built of brick and appears to be in fair condition consistent with the age of the Building.

(iii, iv ,v ,vi) construction, stringers, treads, and risers

The public stairs are steel with concrete treads. The risers and stringers are steel. Stair widths, landings, and run distances all meet code requirements. The western stair is in good condition . The eastern stair steel could use a paint job in spots where there is some residual rust, but is generally in fair condition consistent with its age. The stairways have adequate illumination. The minimum stair width of 3'6" satisfies code requirements.

(vii) Stair railing

The stair railings (interior side) are steel, double pipe rails and are in good condition . The railing heights meet code requirements. There are also single

pipe railings on the exterior side and they are also in good condition. The average pipe railing height is 32".

(viii) Balustrades

There are no balustrades.

(ix) Other stairs

There is a metal ship's ladder type stairway with railing in fair condition leading up a half a flight from the cellar level to a lavatory (part of Commercial Unit 2). There are metal stairs and railings in each of the two retail stores, also in fair condition, going up to the mezzanine level and down to the cellar level. The railings form balustrades on the mezzanine level.

Two new, code approved private stairways will be built to service duplex Units #19A and #19B.

(11) Interior doors and frames

(i, ii,) Entry doors, interior doors, and corridor doors

The Unit entry doors will be hollow metal (or equal) doors and metal frames with required fire rating. They will all be equipped with lock sets. The 17th floor Unit occupies the entire floor which is accessed via the passenger elevators, which will have a keyed lock controlling the opening of the elevator doors and will not have an entry door. Units will have hollow core wood doors (or equal). Frames will be wood (or equal) and will not have, and are not required to have, a fire rating. The retail stores have a variety of door types (in fair condition) as allowed by code.

The corridors are not equipped with doors nor are they required.

(iii) Stair hall doors and frames

All public stair hall doors and frames (the doors leading into the public stair enclosure) will be fire rated, hollow metal (or equal) doors and frames meeting code requirements. Door hardware will also meet code requirements.

(iv) Roof doors, basement doors and frames

Roof doors including doors leading into the bulkheads are metal and in good condition. The cellar and sub-cellar have a variety of door types, in fair condition, as permitted by code. The electric room, which contains the house panels and meters, is closed off by a gate. This gate was not locked during the site visit and should be. The Sponsor will install, as required, stairway doors leading into the cellar and sub-cellar, which will be fire rated per code requirements.

(12) Elevators

(i) Number of passenger and service elevators

There are presently two freight elevators on the eastern side of the Building. They are being eliminated. The freight elevator on the western side of the

Building is also being eliminated. That leaves two passenger elevators also located on the western side of the Building that will service the ground through 18th floors (this excludes the upper level of duplex Units 19A and 19B located on the 19th floor). The elevators appear to be in fair condition consistent with their age, but are obsolete in design compared to current code and industry standards, The elevators have defects that the Sponsor will remedy as follows:

1) Provide cable guard on front of hoisting machine (south, left elevator).
2) Reinstall cover on PC board rack in controller (north, right elevator).
3) Free up and lubricate machine brake pins and pivot points.
4) Reinstall and maintain cover on rear of controller.
5) Provide cover on motor generator junction box (south, left elevator).
6) Provide cap on oil lubrication pipe at pedestal end of machine (north, right elevator).
7) Monitor now, and in the future, the threading on the motor generator commutator, for future wear and timely repair.
8) Monitor the car saddle grooves, which are worn, for future wear and timely repair.
9) Degrease and lubricate the governor pit tension sheaves and eliminate rotational noise in the south, left elevator.
10) Replace missing screws in the car station covers.
11) Replace the missing 13th floor car push button (south, left elevator).
12) Activate the car direction lantern (south, left elevator).
13) Engrave the location of the Management Office on the NYC inspection certificates.
14) Replace missing screws in the Next Car Up signal cover plates located above the lobby entrances. The signal for the north, right elevator to be activated.
15) Conduct monthly tests of the two-way communication system, emergency lighting, and fireman's service.
16) Clean, lubricate and adjust car and hoistway door operating equipment. Replace worn/noisy rollers, bottom gibs, and appurtenances
17) Perform required adjustments to eliminate unacceptable operating performance and meet the following standards:
    A) Elevator speed up and down (to 475 to 525 feet per minute).
    B) Door opening time (to 2.3 to 2.7 seconds).
    C) Door closing time (to 4.1 to 4.9 seconds).
    D) Door open duration-car call (to 3 to 5 seconds).
    E) Door open duration-hall call (to 5 to 8 seconds).
    F) Floor to floor performance time (to 11.9 to 13.6 seconds).
    G) Car door closing pressure (to 30 pounds maximum).

The motors, controllers, cables, and other equipment appear to be in fair condition (allowing for the Sponsor Work described above). Within the next seven to ten years, however, the elevators will require a thorough modernization that will cost an estimated $ 260,000 (exclusive of inflation). This modernization/upgrading of the two elevators will be required to

maintain long term reliability and satisfactory levels of performance. Typical modernization projects include the installation of microprocessor based controllers, selectors, solid state landing and leveling systems, signals, operating fixtures, door rehabilitation package, and the repair/replacement of worn components. This is a Special Risk.

(ii) Manufacturer, age of each, and capacity

The elevators are manufactured by Otis with 2,500 pounds capacity. They were built approximately 73 years ago and modernized in 1986 by Millar Elevator Industries, Inc. They are rated to travel 500 feet per minute.

(iii) Type of operation and location

The two elevators servicing the Building from the ground through the 18th floors are located on the western side of the Building and are automatically operated. They are exclusively for passenger use with occasional use for moving furniture and trash collection.

(iv) Controls

The elevators are variable voltage, duplex selective collective operation. The elevators have up/down lanterns, floor indicator panels over the doors, fire alarm panels, and intercom panels. The 1st floor lobby has a floor indication panel.

(v) Floors served

The two passenger elevators on the western side of the Building will service the ground through 18th floors of the Building.

(vi) Type

The elevators are gearless overhead type.

(vii) Doors

The doors are two speed, two panel, side opening, 3'6"X7'0"

(viii) Machine room location

The machine room for the two main elevators is located in a bulkhead on the roof and is in fair condition.

(ix, x) Motors

The Otis motors run at 208 volts AC/motor generator and are rated at 29.5 horsepower.

(13) Elevator cabs

(i) Kind

The cabs are closed and self contained shell structures.

(ii) **Floor**
The floor is carpeted and appears to be in fair condition consistent with its age.

(iii) **Walls**
The walls consist of plastic laminate panels which appear to be in fair condition. The rear wall has a brass chair rail.

(iv) **Ceiling**
The ceiling consists of a plastic laminate panel (in fair condition) which is perforated with ventilation slots.

(v) **Lighting**
Each cab has two, 4', florescent sconces providing up-lighting. Illumination is adequate.

(i) AUXILIARY FACILITIES

1) **Laundry rooms**
There are no laundry rooms.

2) **Refuse disposal**

(i, ii, iii) **Incinerator, compactor, jurisdiction approvals**
A compactor will be installed in the Building accessible on all residential floors (except the upper floor of duplex Units 19A and 19B). There is no incinerator. The compactor will be a Metropak 4500 model with a Vickers power system (model # 02-117348) or equal.

The Commercial Units will make their own provisions for trash removal.

There are no jurisdictional approvals required for refuse removal in the Building.

The method and times set for compactor trash removal as well as non-compactor trash removal from the Residential Units will be determined by the Board of Managers.

(iv,) **Initial storage location**
Initial storage location will be limited to the compactor/refuse room to be located in the cellar as indicated on the attached plans.

(j) PLUMBING AND DRAINAGE

1) **Water supply**
Domestic water is supplied by the New York City water system. The Sponsor will install a new, incoming, ductile iron, 4" water main with a back flow preventer. The new main will have a meter and water costs for the Residential Units and Residential Limited Common Elements will be a

Residential Common Expense. Water to Commercial Units 1 and 2 will be paid for by the Commercial Units as measured by separate sub-meters. Commercial Units 3 and 4 will not be provided with water service. New water lines will be Type L, hard drawn copper with soldered joints. High zone express risers will have Type F copper joints.

Delivery of water in the Building will be by pumps, which will be 208 volt/3 phase/ AC powered with pumps supplied as required to insure even and adequate flow.

Domestic hot water to the 12th through 19th floors will be provided by two, new, AO Smith (#HW 670), gas fired, 670,000 BTU input hot water heaters. Domestic hot water to the ground through 11th floors will be provided by two, new, AO Smith (#HW 420), gas fired, 420,000 BTU input hot water heaters. The heaters will be glass lined, thermally insulated, and will operate at 150 psi. There will also be a 125 gallon and 250 gallon storage tank. Equipment will be adequate to supply required hot water to all Residential Units and will be a Residential Common Expense. The Commercial Units will supply their own hot water, if desired.

There are no active leaks in the plumbing system. The pipes are in fair condition.

2) Fire protection system

(i thru iv) Standpipes, hose racks, sprinkler heads, siamese connection, the sprinkler system

The Building will be sprinklered with new sprinkler control valves, and distribution piping throughout the Building (including all public areas, cellar, sub-cellar, Residential Units, and Commercial Units). The existing roof mounted, 12,000 gallon reserve tank will be retained. The existing piping will be tested by an independent testing company to ascertain its condition and all equipment and piping will be replaced or repaired as required. The Sponsor will install alarms as required by the New York City Building Department. Sprinkler heads will be partially side wall and partially recessed or concealed pendant type.

The existing fire standpipe, which appears to be in fair condition consistent with its age, will be retained. A new 6" water service will be installed to service the fire standpipe. A new fire standpipe pump and new jockey pump will be installed on the 20th floor. The new equipment will be connected to the existing standpipe .The existing rooftop, 7,000 gallon, wood tank will be used exclusively for standpipe/sprinkler reserve (domestic water will be delivered by sub-cellar pumps). The existing pipes and fire hose valves will be tested by an independent testing company to ascertain its condition and all equipment and piping will be replaced or repaired as required.

All fire protection mechanical couplings will be 250 # min (victaulic), schedule 40, grooved pipe.

Each residential floor will have fire standpipe hose racks.

There will be one sprinkler system/fire standpipe siamese connection.

3) Water storage tanks and enclosures

(I, ii, iii)Number, type, location

There is a 7,000 gallon, wood storage tank located within the mechanical room on the top floor of the Building. This tank was installed within the last two years and is in good condition. The tank is currently used by the as the standpipe reserve. The Sponsor has indicated that it will install a new domestic water system (hot and cold water) with water delivered by pumps (as opposed to a gravity system with water delivered from the tank). This will limit the tank's use to being the standpipe/sprinkler reserve.

There is also a 12,000 gallon, steel tank, which is also located within the mechanical room at the top floor of the Building. This tank appears to be in fair condition consistent with its age and is used as the sprinkler system reserve.

There is also a rooftop pressure tank that will be removed and replaced with a booster pump that will service the 12,000 gallon tank.

The domestic water tanks will be 208 volt/3 phase/AC powered. Pumps will include a sewage ejector pump, three sets of booster pumps (lower zone, upper zone, cooling tower zone as required), and domestic hot in-line circulators (as required).

4) Water pressure

Adequate water pressure will be maintained by the cellar/sub-cellar pumps.

(5) Sanitary sewage system

(i, ii, iii) Material, pumps, disposal

A new interior sanitary storm system will be connected to a new 8" sanitary house trap (one existing riser in fair condition will continue to be used). The interior sanitary and storm systems will be connected to a new 10" combined sewer connection to the New York City main. The interior sanitary piping will be cast iron (ANSI H67, service weight). The sanitary/storm service connection will be extra heavy cast iron.

The sanitary and vent stacks will be new, 4" (typical), cast iron pipes with no-hub connection. The house trap on West 30th Street will have fresh air intake.

(6) Permits required

Permits to perform the plumbing work for the prospective Residential Units will be required from the New York City Building Department and secured.

(7) Storm drainage system

The existing interior storm system, including existing risers, will remain and be connected to an existing 8" storm trap. The existing system appears to be

in fair condition consistent with its age. The interior sanitary and storm systems will be connected to a new 10" combined sewer connection to the New York City main

(i) Catch basins
There are no catch basins.

(ii, iii) Yard and roof drains
Except for the small (5' X 48'7") rear yard, the Building occupies the entire site. Storm drainage is by use of interior drains located on the roof Terraces. The drains are part of the storm drainage system.

(i) Eject or sump pumps
The Building will be equipped with two sewerage ejector pumps. They will be Federal Duplex, type VSA, with 75 gallon per minute capacity.

(k) HEATING

1,2,3,4,5) System distribution, number of boilers, and description.
The Building is heated by a pair of low pressure, oil fired, Rockmills MP 70 boilers (model #7055 with a 2,800 lbs capacity), which were installed in 1992 and 1993 and are in good condition and will continue to be used. There is also an abandoned boiler that will remain in place. The boilers have oil firing Power Flame burners (model C2-OB @ 1-1/2 horsepower with a 22 gallon per hour capacity). The burners appear to be relatively new and in good condition. Outside combustion air is present as are damper controls as well as instrumentation, such as temperature monitor and water pressure indicator. The Sponsor will increase the size of combustion air intake for the boilers to meet New York City code requirements. Overall, the heating plant appears reliable and adequate.

The heating (and cooling) system will be a combined, closed loop, heat pump system. Console heat pump units will be installed in all the Residential Units delivering adequate amounts of heat and air conditioning. The system equipment will include a cooling tower located on the top of the mechanical room roof, heat exchanger, and controls located in the sub-cellar. The cooling tower will be manufactured by Evapco (model number LRT8-122). The tower will have a 700 gallon per minute capacity with a 57,240 CFM fan. There will be two 30 horsepower pump motors and the system will be 208 volt/3 phase at 60HZ. Producing During the cooling season, heat from the heat pumps will be pushed outdoors via the cooling tower. During the heating season, heating will be added to the loop from the existing boiler via steam-to-water heat exchanger. The pipes will be Schedule 40, steel. Each heat pump unit will be controlled by a separate thermostat. The heat pumps will be McQuay or equal (NYC MEA number 268-99-E), and sized to provide adequate heat and air conditioning to all spaces (peripheral rooms and interior rooms), excluding kitchens, bathrooms and closets, as per the mechanical plans (H-101 through

H-114, and H-201 through H-208, all dated 1/13/03). The minimum console size will be 6,900 BTUs (200 CFM fan speed, 1.8 gallon per minute flow, 1/60 horsepower motor, 208 single phase power) with a maximum size of 18,200 BTU's (525 CFM fan speed, 4.8 gallon per minute flow, 1/8 horsepower motor, 208 single phase).

Heating (and cooling) of the Residential Units and Residential Limited Common Elements will be a Residential Common Expense, except the cost of powering the electric fans in each of the consoles, will be measured by the individual meter of each Residential Unit and borne by the Residential Unit Owner.

The Commercial Units will have their own heating and cooling systems independent of the Building (the heating of the Commercial Units is via heat coils installed in the existing HVAC equipment which is separate from the Building systems).

(6) Radiators

The Residential Units will be equipped with heat pump consoles in lieu of radiators. These consoles, along with valves and exposed and concealed piping serving only a Residential Unit, are part of the Unit and are to be Maintained and Repaired at the sole cost and expense of the Unit Owner. Pipe risers and branch or distribution piping concealed behind walls, serving more than one Residential Unit or the Residential Limited Common Elements, are part of the Residential Limited Common Elements and will be Maintained and Repaired by the Condominium Board as part of the Residential Common Expenses.

(7,8,9) Fuel

Heating system is oil fired using #2 oil. Oil is stored in a 5,000 gallon underground storage tank located below the sidewalk on West 30th Street with extremely limited access provided by an access panel set in the sidewalk. According to the Phase I environmental assessment prepared by IVI environmental, Inc., dated 8/8/01, the oil tank passed a tightness test on 6/29/99 administered by A.L. Eastmond. The report goes on to note that since the tank is 72 years old and is past its expected useful life, the tank should be tested annually. It is recommended that the tank be replaced in the near future with either a new tank or gas service. This issue is discussed more fully in the Special Risk section at the end of this report.

(l) GAS SUPPLY

Gas is provided by Consolidated Edison Company of New York, a regulated public utility and will be Residential Common Expense, which will include individual Residential Unit loads, and cooling, hallway heat, and domestic hot water. The Commercial Units will be responsible to install and utilize their own gas lines if desired. The Sponsor will install new gas lines made of schedule 40, black steel with malleable iron fittings. The gas will be used in

the Residential Units by kitchen range tops and clothes dryers (with the Sponsor having the option of substituting electric operation).

(m) AIR CONDITIONING

The air conditioning (and heating) system will be a combined, closed loop, heat pump system. Console heat pump units will be installed in all the Residential Units delivering adequate amounts of heat and air conditioning. The system equipment will include a cooling tower located on the top of the mechanical room roof, heat exchangers, and controls located in the sub-cellar. The cooling tower will be manufactured by Evapco (model number LRT8-122). The tower will have a 700 gallon per minute capacity with a 57,240 CFM fan. There will be two 30 horsepower pump motors and the system will be 208 volt/3 phase at 60HZ. During the cooling season, heat from the heat pumps will be pushed outdoors via the cooling tower. During the heating season, heating will be added to the loop from the existing boiler via steam-to-water heat exchangers. The pipes will be Schedule 40, steel. Each heat pump unit will be controlled by a separate thermostat. The heat pumps will be McQuay or equal (NYC MEA number 268-99-E), and sized to provide adequate heat and air conditioning to all spaces (peripheral rooms and interior rooms), excluding kitchens, bathrooms and closets, as per the mechanical plans (H-101 through H-114, and H-201 through H-208, all dated 1/13/03). The minimum console size will be 6,900 BTUs (200 CFM fan speed, 1.8 gallon per minute flow, 1/60 horsepower motor, 208 single phase power) with a maximum size of 18,200 BTU's (525 CFM fan speed, 4.8 gallon per minute flow, 1/8 horsepower motor, 208 single phase).

Commercial Units 1 and 2 will be responsible to supply their own heat and air conditioning. Commercial Units 3 and 4 will not be provided with heat or air conditioning.

Air conditioning (and heating) of the Residential Units and Residential Limited Common Elements will be a Residential Common Expense, except the cost of powering the electric fans in each of consoles, will be measured by the individual meter of each Residential Unit and borne by the Residential Unit Owner.

(n) VENTILATION

Ventilation of the open spaces is through use of the operable windows. Kitchens and bathrooms in the Residential Units will have natural ventilation by means of windows, or where there are no windows, through the use of mechanical ventilation.

(0) ELECTRICAL SYSTEM

(1-5) Service, Adequacy

Each Residential Unit will be separately metered and will pay Consolidated Edison for its own electric usage. The Commercial Units will

be separately metered (off of the main Building service) and pay Consolidated Edison for their individual electric usage.
The electric service provided to the Residential Units will be adequate for current modern day usage, including air conditioning, dishwashers, and washing machines. A new electric system will be installed meeting all code requirements. The Units will receive an average 60 amps each. The panel boxes will be equipped with spares (20%). There will be a minimum of 12 circuits provided per Residential Unit.

The existing service to the Building from Con Edison is a 3,000 amp AC service (3 phase, 120/208 volts) and is adequate to serve all anticipated residential and commercial loads. The electric service and risers appear to be in fair condition. All new electric work will meet all New York City code requirements.

(p) INTERCOMMUNICATIONS, CABLE TV, & PHONE

An intercommunication system consisting of a low voltage, push button voice and video intercom system, used in conjunction with an electric strike door release, will be installed in the ground floor lobby entry vestibule. The system will be manufactured by Siedel. Visitors will push the Unit's intercom button at the ground floor entry and identify themselves. The occupant of the Unit will be able to view the visitor via a camera at the vestibule entrance to the lobby and communicate back and activate the door release.

There is no master antennae in the Building. The Sponsor will provide cable TV and phone wiring extending to each Unit and will provide jacks within the Units at the living rooms. The operation costs will be borne by the individual Unit Owners. Unit Owners desiring cable TV and phone jacks at additional locations within a Unit will be responsible to engage contractors to perform such work at the Unit Owner's sole cost and expense, subject to entering into the Building's standard alteration agreement and obtaining required approvals (as provided in the Offering Plan).

(q) PUBLIC AREA LIGHTING

There is no exterior lighting at the front entries on 30th Street. The exterior at the main entry is illuminated from a large interior fixture in the vestibule shining through the glass doors and transom (the same is true of the retail stores). The service bay is lit by utilitarian florescent lighting. The public stair enclosures have surface mounted light fixtures at each level, including the eastern stair mezzanine passageway. All illumination appears adequate for its purpose.

New lighting will be installed in the main entry lobby on the ground floor and in the public hallways on each floor. This lighting will meet the illumination requirements of the New York City code.

Street lighting is New York City maintained standard lighting and is adequate with a light poll approximately 25 feet west of the Building and another pole approximately 20 feet east of the Building

(r) GARAGES AND PARKING AREAS

There are no parking facilities in the Building. There is private parking in the vicinity of the Building serving the public. There is very limited street parking permitted in the vicinity. The parking on 30th Street is used by the New York City Police Department and police officers.

(s) SWIMMING POOL

There is no swimming pool in the Building.

(t) TENNIS COURTS, PLAYGROUNDS, RECREATION FACILITIES

There are no tennis courts, playgrounds, or recreation facilities in this Building. The roof areas without Terraces or a Planting Terrace that are Residential Limited Common Elements will be un-improved.

(u) REQUIRED PERMITS

An Alteration Type 1 application is being filed with the New York City Building Department to change the Building to mixed-use consisting of Commercial Units on the ground floor, mezzanine, cellar and sub-cellar levels with Residential Units above (Application #103184876). An Alteration Type 2 Application covering sprinkler work will be filed in conjunction with the governing Alteration 1 application. Building permits will be secured for all these applications. Work will be filed with the City Landmarks Preservation Commission.

At the end of construction of each Unit, an application will be made for a Temporary Certificate of Occupancy. A Permanent Certificate of Occupancy for the whole Building will be obtained when construction is completed. Various inspections and sign-offs will be required as part of the construction process. These may include: firestopping, mechanical ventilation, mechanical equipment certificate, rough and finish plumbing (self-certified), electric work, and structural stability and concrete strength tests (if required by the Building Department). All will be secured as required.

The Building is required to have the following ongoing inspections and certifications:

1) The elevators in the Building must be inspected every year and a safety test conducted every five years.
2) The sprinkler system must be inspected monthly and tested as required by code.
3) The Building is required to have a façade inspection by a licensed professional engineer or registered architect every five years as required by Local Law # 11 (which pertains to façades, cornices, and eaves of the Building.
4) The boiler must be inspected every year. Issuance of a Certificate of

Operation from the Department of Air Resources is required every three years.

5) As part of the Special Permit to convert the Building to residential use, the Building will be obliged to follow a Continuing Maintenance Program as per a Restrictive Declaration (see Section R, subsection R-15 of the Offering Plan for a summary). With the issuance of the Special Permit, the Building will become a landmark subject to the requirements of the New York Building Department and Landmark Preservation Commission for landmarks.
   Updated inspection certificates and permits will be provided by the Sponsor before the First Closing, as required, for the elevators, sprinkler system and boiler.

(v) VIOLATIONS

As of 01/13/03, the Department of Buildings index record indicates that there are two Building Department violations and two Environmental Control Board (ECB) violations. All four violations are for unlawful uses in the Building, and will be cured as part of the application process. As of 9/16/02, there were five Fire Department Violations as well as a summons to provide/maintain a fire alarm system. All violations will be cured as part of the Alteration #1 and Alteration #2 work and applications for Temporary and Permanent Certificates of Occupancy. There are eight open Building Department applications associated with the Property, signifying work that has not been completed or signed-off at the Building Department. These will also be cured and disposed of as part of the Alteration #1 and Alteration #2 work and applications for Temporary and Permanent Certificates of Occupancy.

As of 9/30/02, there were no violations (including sidewalk) issued by the Department of Highways, and as of 10/2/02 there were no violations per the Department of Environmental Protection (air resources relating to boilers). There were also no violations issued by the Housing Department as of 9/27/02.

Notwithstanding the Sponsor's obligation as to violations, the existing commercial tenants shall still be responsible to cure violations as to their leased premises to the extent they are obligated under their respective leases. In addition, the Sponsor as owner of the Commercial Units shall be obligated to cure any violations specifically pertaining to such Units.

(w) UNIT INFORMATION

The room count is as follows: kitchens, living rooms, storage rooms, and home offices as indicated on the plans.
Dining areas are considered part of living rooms since they occupy the same open area.
Kitchens are considered as rooms if they are in self-contained enclosures (notwithstanding Building Department kitchenette definitions).

Unit	rooms	bathrooms	fixtures
2A,3A, 4A,5A, 6A,7A,8A,9A	3 rms plus 1 bedrm	2	bathtub, sink, toilet shower, 2 sinks, toilet, bathub
2B,3B, 4B,5B, 6B,7B,8B,9B	3 rms plus 1 bedrm	3	bathtub, sink, toilet bathtub, sink, toilet bathtub, 2 sinks,toilet, shower
2C,3C, 4C,5C 6C,7C,8C, 9C,10C,11C,12C,14C	1 rm plus 3 bdrms	3	sink, toilet, shower bathtub, sink, toilet bathtub, 2 sinks,toilet,shower
10A,11A, 12A,14A	3 rms plus 1 bdrm	2	toilet sink shower toilet, sink, bathtub
10B	4 rms plus 1 bdrm	3	toilet, sink, bathub toilet, sink, bathtub toilet, sink, shower
11B,12B 14B	4 rms plus 1 bdrm	3	toilet, sink, bathtub toilet, sink, bathtub toilet, 2 sinks, shower
15A	2 rms plus 3 bdrms	4	toilet, sink toilet, sink, bathtub toilet, sink, shower toilet, 2 sinks, shower
15B,16B, 17B,	1 rm plus 3 bdrms	3	toilet, 2 sinks, shower toilet, sink, bathub, toilet, sink, shower
16A,17A,	1 rm plus 3 bdrms	4	toilet, sink toilet, sink, bathtub toilet, sink, shower toilet, 2 sinks, shower
18A	4 rms plus 3 bdrms	4	toilet, sink toilet, sink, bathtub toilet, sink, shower toilet, 2 sinks, bathtub,shower

19A	2 rms plus 3 bdrms	4	toilet, sink toilet, sink, shower toilet, sink, bathub toilet, 2 sinks, bathtub,shower
19B	2 rms plus 2 bdrms	3	toilet, sink toilet, sink, bathtub toilet, 2 sinks, shower

A new lavatory, consisting of a toilet and sink, will be built in the service lobby per the plans, and will be part of the Residential Limited Common Elements. The new lavatory will have painted walls and ceramic tile floor and baseboard with American Standard (or equal) Cadet sink and toilet.

1) **Finishes for Residential Units**

a) The Units, including the kitchens, will have tongue and groove, red oak, strip flooring with three coats of polyurethane finish, except bathrooms, which will have ceramic tile floors, and closets (which may have plywood flooring). The wood flooring will have a plywood backing.

b) The walls and ceilings will be light colored painted gypsum board (except for parts bathroom walls which are tiled).

c) Kitchen cabinets to have wood veneer doors set on fiberboard set on melamine veneer cabinets. The kitchen counters will be stone.

d) Bathrooms will have ceramic tile floors. The walls surrounding bathtubs will have ceramic tile 6 feet high. Shower walls will be full height ceramic tile. Tile work to be thin set.

e) The Units will have the following lighting fixtures or equal:
   1) Lightolier recessed down lights, #2005 WH
   2) Winona sconces #4831

   The new public areas will have:
   1) Winona sconces #4102
   2) Lightolier pendant fixtures #3061-PB-226

   Units with terraces will have Lightolier Prisim-Ovales #5798 exterior sconces (or as approved by the Landmarks Preservation Commission)..

(ii) **Existing Finishes on non-Residential floors**

The Commercial Units 1 and 2, consisting of two ground floor retail stores with mezzanines and cellar space, are in generally fair condition and adequate for their current uses. Interior partitions are gypsum board on studs except for demising walls and in the cellar where some walls are painted concrete block. The walls, partitions and ceilings are painted. The ceilings consist of the exposed underside of the floor slab. The flooring is predominantly carpeting. Commercial Unit 1 has two lavatories while Commercial Unit 2 has three lavatories. They are in fair condition with a variety of ceramic tile, marble, and marble finishes on the floors and walls. Toilet fixtures consisting of sinks, vanities, toilets, and urinals are in fair

condition. Commercial Units 3 and 4, located in the sub-cellar, have cement/concrete finishes in fair condition consistent with their age.

(2,3) Type and condition of lavatory and bathroom fixtures

The lavatories in Commercial Units 1 and 2, including the lavatory in the cellar as well as in the retail stores, have toilets and sinks in fair condition adequate for their use.

The Sponsor will install the following bathroom fixtures and kitchen appliances in the Residential Units:

Toilets	Kohler Rialto	#K-3386
Lavatories	Kohler Caxton	#K-2210
Lavatory faucet	Kohler Alterna	#K-6952-4
Small lavatories	Kohler Pinoir	#K-2035-4
Small lavatory faucet	Kohler Taboret	#K-8201
Bathtub	Kohler Dynametric (5' or 5'6")	#K-515 or K-519
Bathtub faucet	Kohler Taboret	#K-T8224-4
Kitchen sink	Kohler Undermount	#K-3353
Kitchen faucet	Kohler Coralais	#K-15160
Kitchen range/oven	General Electric (gas)	#JGSP44WEY
Kitchen refrigerator	General Electric(36")	Monogram
Kitchen dishwasher	General Electric	#GSD2030FWW
Microwave oven	General Electric	#JEB1095SB

Sponsor reserves the right to substitute appliances, fixtures, and faucets for models and manufacturers that are equal or better than those set forth above.

The Units will be equipped with washers and gas dryers. Model will be the General Electric #WSM2480T Stacked Unit. The Sponsor reserves the right to provide side by side models or to substitute ventless gas dryers, or electric dryers, in lieu of venting the laundry closets

Ancillary fixtures:

There are sinks located in the retail stores and sub-cellar. They are in fair condition.

(x) FINISH SCHEDULE OF AREAS OTHER THAN UNITS

AREA	FLOORS	BASE	WALLS	CEILING
STAIRWAY (western)	Steel	None	Painted	Underside of stair
HALLWAYS (new)	Carpet	Rubber or Wood	Painted	Gypsum Board

ENTRY VESTIBULE	Stone	Stone	Plaster	Plaster
STAIRWAY (eastern)	Steel	None	Brick	Underside of stair
FREIGHT BAY, CELLAR & SUB-CELLAR	Concrete	No base	Brick/stone	Plaster
MAIN ENTRY LOBBY (Existing)	Stone	Stone	Plaster	Plaster

The finishes in the public areas are in fair or good condition consistent with their age.

The stone work at the vestibule and main entry lobby is intact and clean. The cellar surfaces are clean and dry.

Built-in mail boxes will be installed in the main, ground floor lobby.

The public hallways on each floor will have carpeted floors (or equal) with gypsum board walls and ceiling

There is tile flooring on top of the concrete floor in the freight area, which is in poor condition.

(y) SAFETY AND WARNING DEVICES

All Residential Units will be equipped with all the safety and warning devices as required by the New York City Building Code. These will include smoke detectors, emergency lighting and self powered exit signs.

(z) ADDITIONAL INFORMATION

(1) Site plan

Site plan is attached (see Document 5 in Part II of the Plan).

(2) Area map

Area map is not required.

(3) Floor plans

Floor plans are attached (see Document 5 in Part II of the Plan).

(4) Floor to ceiling heights of Units

1st floor	18'2" (includes 7'4" high mezzanine)
2nd floor through 18th floor:	10'10"
19th floor	14'4"
20th floor	13'5"

Ceiling heights are approximate and may be lower (in localized areas of the Unit) in order to accommodate structural elements, mechanical and sprinkler equipment. Ceiling heights may also be dropped for aesthetic purposes (to cover rough slabs).

(5) Total area for each Unit.

The following are the approximate square footages for the Units based on tax certification drawings T-0 through T-25 prepared by the Sponsor's architect, CMA Design Studio PC, dated 9/16/02, and revised on 12/23/02. The approximate indoor floor area of each Unit has been measured from the exterior side of the façade or exterior Building walls or glass windows at the Building line and/or Property line enclosing the Unit, or from the midpoint of the interior Party Walls separating the Unit from another Unit, or from the public side of the interior Party Walls separating the Unit from the public corridors or public stairs, or from the mechanical space side of interior Party Walls separating the Unit from an elevator or other mechanical equipment space or any other Common Elements. Columns and mechanical pipes and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit.

The floor area occupied by any Common Elements bordering or within a Unit (such as the Building's façade or exterior walls, vents, chase walls or areas, conduits, ducts, shafts or pipes) have been included in the computation of the floor area of the Unit, but such Common Elements are not part of the Unit. As a result, the square footage shown are taken from points behind the walls enclosing the Unit and exceed the Unit's usable floor area. Minor inaccuracies in a Unit's square footage will not excuse a Purchaser from completing the purchase of a Unit without recourse against the Sponsor, or reduction in price.

The Storage Units will be available for purchase by purchasers of Residential Units (and limited to resale to a purchaser on the resale of a Residential Unit or to other Residential Unit Owners)

Unit		Approximate Square Feet
Commercial Unit 3	(Commercial Unit in the sub-cellar)	497 Sq. Ft.
Commercial Unit 4	(Commercial Unit in the sub-cellar)	407 Sq. Ft.
Commercial Unit 1	Cellar level: 4,261 Sq. Ft. First floor: 3,046 Sq. Ft. Mezzanine: 1,488 Sq. Ft.	Total: 8,795 Sq. Ft. Plus 122 Sq. Ft. rear yard

Commercial Unit 2	Cellar level: 3,333 Sq. Ft. First floor: 3,432 Sq. Ft. Mezzanine: 1,978 Sq. Ft.	Total: 8,743 Sq. Ft. Plus 122 Sq. Ft. rear Yard
2A, 3A, 4A, 5A, 6A, 7A, 8A, 9A		1,661 Sq. Ft.
2B, 3B, 4B, 5B, 6B, 7B, 8B, 9B		2,150 Sq. Ft.
2C		2,064 Sq. Ft. plus 170 Sq. Ft. Terrace
3C, 4C, 5C, 6C, 7C, 8C, 9C,		2,064 Sq. Ft.
10A		1,479 Sq. Ft. plus 186 Sq. Ft. Terrace
10B		2,129 Sq. Ft. plus 186 Sq. Ft. Terrace
10C		2,055 Sq. Ft.
11A		1,394 Sq. Ft. plus 86 Sq. Ft. Terrace
11B		2,052 Sq. Ft. plus 86 Sq. Ft. Terrace
11C		2,055 Sq. Ft.
12A, 14A		1,394 Sq. Ft.
12B, 14B		2,027 Sq. Ft.
12C		1,905 Sq. Ft. plus 192 SF planting terrace
14C		1,905 Sq. Ft.
15A		2,489 Sq. Ft. plus 599 Sq. Ft. Terrace

Unit	Approximate Square Feet
15B	1,987 Sq. Ft. plus 482 Sq. Ft. Terrace
16A	2,256 Sq. Ft. plus 160 Sq. ft. Terrace
16B	1,987 Sq. Ft.
17A	2,256 Sq. Ft.
17B	1,987 Sq. Ft.
18A	3,852 Sq. Ft. plus 596 Sq. Ft. Terrace 1, 317 Sq. Ft. Terrace 2
19A (Duplex)	1,970 SF on 18th fl. 1,018 SF on 19th fl (2,988 SF total) plus 261 SF Terrace
19B (Duplex)	1,602 SF on 18th fl. 1,211 SF on 19th fl. (2,813 SF total) Plus 261 SF Terrace
Storage Units 1, 3, 5, 7, 9, 11, 13, 15	80 Sq. Ft.
Storage Units 2, 4, 6, 8, 10, 12, 14, 16	89 Sq. Ft.

(6) Master floor plans
Plans are attached (see Document 5 in Part II of the Plan).

(ab) FURTHER DEVELOPMENT

Further development of the Building is not planned. The Building is fully built to the maximum square footage allowed and is over-built.

(ac) ASBESTOS

An asbestos survey was carried out by a licensed asbestos consultant. The report is in Document 4A of Part II of the Plan).
The Sponsor does not intend to remove any asbestos that may be in the Building. It will be the obligation of the Board of Managers to formulate an

Operations and Maintenance (O & M) Program for dealing with asbestos.

(ad) ADDITIONAL INFORMATION

(1) Mixed-use occupancy and adjacent police station

Prospective purchasers and occupants of the Residential Units should be aware that the dwelling Units are located in a mixed-use Building containing retail stores on the ground floor, mezzanine and cellar. There is also a police station that is adjacent to the Building on its western side. Prospective purchasers should make any investigation they deem necessary to determine that the conditions existing or permitted to exist are not offensive to such prospective purchasers.

(2) Lead-based paint

Based on the age of the Building, lead-based paint would have been used in the painting of some surfaces of the Building as discussed in the Special Risk section below. New or refinished surfaces will be painted with coatings that do not contain lead. Painting over lead-based paint surfaces does not suffice for removal or encapsulation. Purchasers contemplating alterations that will penetrate or disturb refinished surfaces (such as ceilings) should consult a qualified consultant or contractor for the recommended protocol to avoid potential lead-based paint dust contamination.

(3) Radon

The Building has not been tested for Radon. According to area radon information from the New York Department of Health, Manhattan has an average radon concentration of 1.5 picocuries per liter (pCi/L). Since the USEPA action level for residential radon is 4.0 pCi/L, this Building is not considered to be in a radon prone area.

(4) Roof rights

Some of the roof areas of the Building will be used as Terraces or a Planting Terrace owned by individual Owners per the attached plans in Document 5 of Part II of the Plan. The remaining areas consisting of the bulkhead roofs, the 2nd floor southeast corner roof, and the 19th and 20th floor roof areas will be Residential Limited Common Elements and will be unimproved. The Commercial Unit roofs will also be unimproved. There will be no common recreational facilities nor roof rights apart from the Sponsor's rights and easements to install equipment, satellite dishes and other communications equipment on bulkheads, parapets, and other roof structures as set forth in the Plan There is no right reserved in the Plan for the Sponsor to add additional floor space above the roof as the Building is over-built.

Certain improvements that do not constitute additional square footage or involve life or safety issues, including the placement of planters, storage

lockers, furniture, trellises, garden areas, and temporary elements that conform to NYC height restrictions can be installed on the Terraces without a permit, subject to obtaining the prior written discretionary approval or consent of the Condominium Board and the Sponsor (during the Sponsor Veto Control Period and until issuance of the permanent Certificate of Occupancy). These are considered "temporary" permitted obstructions. In certain instances, approval of the Landmarks Preservation Commission may also be required.

Resilient non-penetrating decking material such as rubber or cork can be installed on the Terraces without a permit. Stone decking that falls within the load capacity of the roof structure can also be laid without permit. Wood decks however must satisfy several NYC requirements, including compliance to the maximum ratio between fire-retardant and regular wood and the necessity to file ACP-5 and ACP-7 asbestos reports for all penetrations of the roof membrane. In all cases, deck and all other installations on terraces must be approved by the Board of Managers and by the Sponsor during the Sponsor Veto Control Period and until issuance of the permanent Certificate of Occupancy. . In certain instances, approval of the Landmarks Preservation Commission may also be required.

The Board of Managers will have unlimited access to all areas of the roofs, Terraces and Planting Terrace for the purpose of making inspections and repairs.

The owners of the individual Terraces and Planting Terrace are obligated under the Plan to obtain the discretionary approval of the Board of Managers, as well as the Sponsor during the Sponsor Veto Control Period and until issuance of the Permanent Certificate of Occupancy, and conform to their regulations before undertaking any work on their individual Terraces, including landscaping and decoration.

The Board of Managers shall regulate all aspects of Alterations and Decoration on the Terraces and Planting Terrace, as well as the Sponsor during the Sponsor Veto Control Period and until the issuance of the permanent Certificate of Occupancy

The existing Building is built to the maximum square footage allowed by New York City zoning and is over-built. Additional construction on the roof constituting new floor area would require a variance secured from the NYC Board of Standards and Appeals and the Landmarks Preservation Commission. The Sponsor will not add additional floor space above the roof.

Any application for new construction within the Units by the Unit Owners must be approved by the Board of Managers, as well as the Sponsor during the Sponsor Veto Control Period and until the issuance of the permanent Certificate of Occupancy

(5) Sponsor work in the Residential Units

The Residential Units will conform to all local and code requirements in accordance with Plans and Specifications approved by the New York City

Building Department necessary to obtain a permanent Certificate of Occupancy for the Building authorizing the Units as dwellings. The Sponsor will perform all work related to the Residential and Storage Units that is described throughout this Report. This work will include the following:
a) installation of a kitchen/kitchenette per code. Appliances to include refrigerator, and stove/range per the fixture schedule below. Ventilation to be by window or by mechanical ventilation to be provided for each Residential Unit at a minimum of 2 cubic feet per minute per each square foot;
b) plumbing work as required to obtain Temporary Certificate of Occupancy and as specified in the approved Plans and Specifications. Each of the Residential Units to have bathrooms as indicated on the attached plans in Document 5 of Part II of the Plan, and described in this Report, with at least one having a sink, toilet and bathtub. Each bathroom will be ventilated by a mechanical fan (or operable window) which exhausts air per code. All waste lines and fittings will be hubless, service weight, cast iron. The water lines and fittings will be seamless drawn or extruded, hard temper, type "L" copper tubing;
c) installation of smoke detectors in the Residential Units as required to obtain a Temporary Certificate of Occupancy;
d) per the Building Department Application, Sponsor's Work shall comply with accessibility and adaptability requirements of the New York City Building Code including Local Law #58;
e) electric work as required to obtain a Temporary Certificate of Occupancy and as specified in the approved Plans and Specifications. A new electric system will be installed meeting all code requirements. The Units will receive an average 60 amps each. The panel boxes will be equipped with spares (20%). There will be a minimum of 12 circuits provided per Residential Unit. The existing service to the Building from Con Edison is a 3,000 amp AC service (3 phase, 120/208 volts). Power will be adequate to meet modern usage requirements, including air conditioning, dishwashers, washing machines. Each Residential Unit will be provided with general use duplex receptacles distributed per code, 4 appliance receptacles for small appliances in the kitchen, and receptacles for specific plug- in kitchen equipment. Ground fault receptacles will be provided in each bathroom and kitchen as required by code;
f) windows will be new and will be manufactured by Ecker. The windows, doors and frames will be aluminum with thermally improved, insulated glass. The windows will be double hung (or equal per the Landmarks Preservation Commission) and provided with insect screens, except for windows on the front façade of the 2nd and 3rd floors, which may have pivot operation. All windows will satisfy New York City Building Code light and air requirements;
g) Residential Units will have a laundry closet equipped with connections for a stacked washer and dryer (or side by side at Sponsor's option). Washers

and dryers will be provided by the Sponsor. Closets will be ventilated unless ventless gas dryers, or electric dryers, are installed;
h) new lighting fixtures will be installed in the bathrooms and kitchens per code; and
i) air conditioning in the Residential Units will be provided.

The Sponsor will finish the above residential spaces as follows: All walls (where not tiled) and ceilings in the Residential Units will be primed and covered with one coat of light colored latex paint. Other than to paint as stated above (exclusive of tiled surfaces), the walls and ceilings will not be detailed.
Bathrooms will have ceramic tile floors The walls surrounding bathtubs will have ceramic tile 6 feet high. Shower walls will be full height ceramic tile. Tile work to be thin set.
Kitchen cabinets to have wood veneer doors set on fiberboard set on melamine veneer cabinets.
The kitchen counters will be stone.

The Sponsor will install the following bathroom fixtures and kitchen appliances in the Units:

Toilets	Kohler Rialto	#K-3386
Lavatories	Kohler Caxton	#K-2210
Lavatory faucet	Kohler Alterna	#K-6952-4
Small lavatories	Kohler Pinoir	#K-2035-4
Small lavatory faucet	Kohler Taboret	#K-8201
Bathtub	Kohler Dynametric (5' or 5'6")	#K-515 or K-519
Bathtub faucet	Kohler Taboret	#K-T8224-4
Kitchen sink	Kohler Undermount	#K-3353
Kitchen faucet	Kohler Coralais	#K-15160
Kitchen range/oven	General Electric (gas)	#JGSP44WEY
Kitchen refrigerator	General Electric(36")	Monogram
Kitchen dishwasher	General Electric	#GSD2030FWW
Microwave oven	General Electric	#JEB1095SB

Sponsor reserves the right to substitute appliances, cabinets, fixtures, and faucets for models and manufacturers that are equal or better than those specified above.

Units will be equipped with washers and gas dryers provided by the Sponsor. Model will be the General Electric #WSM2480T Stacked Unit. The Sponsor reserves the right to provide side by side models or to substitute ventless gas dryers, or electric dryers, in lieu of venting the laundry closets.

All alterations to the Residential will be performed by the Sponsor at the Sponsor's expense. The Purchasers of these Units will not be required to perform any construction work in their Units as a condition of the legal occupancy of their Units.

Each Purchaser will be required to retain his/her own registered architect or professional engineer to file plans and applications with the Department of Buildings for any work in his/her Unit which differs or is in addition to the work to be approved under the Sponsor's application with the Building Department. The Purchaser must also obtain the Sponsor's Discretionary Approval and Consent (during the Sponsor Veto Period and until issuance of a permanent Certificate of Occupancy) and the Condominium Board's Discretionary Approval and Consent, as well as all government approvals and permits, including the Landmarks Preservation Commission.

New gas lines will service the cooking ranges, clothes dryers, and fireplaces.

(ae) SPECIAL RISKS

(1) **Waivers**

The Sponsor has not undertaken to correct or repair any existing conditions noted in this Report including this Special Risk Section, unless otherwise expressly provided.

Price estimates contained in this Report are approximate and are good faith projections based solely on the experience of Marc Kemeny. They are not based on any specifications or documentation of the work, and are not derived from bids by contractors or vendors . Actual costs may substantially vary from the cost estimates in the Report.

(2) **Underground oil storage tank**

Oil is stored in a 5,000 gallon underground storage tank located below the sidewalk on West 30th Street with extremely limited access provided by an access panel set in the sidewalk. According to the Phase I environmental assessment prepared by IVI environmental, Inc., dated 8/8/01, the oil tank passed a tightness test on 6/29/99 administered by A.L. Eastmond. The report goes on to note that since the tank is 72 years old and is past its expected useful life, the tank should be tested annually.

A tank failure would cause serious environmental damage and it is recommended that the tank be tested twice a year going forward and decommissioned in the near future and replaced with a new tank or gas service at an estimated cost of $ 75,000.

(3) **Lead-based paint**

Based on the age of the Building, lead-based paint would have been used in the painting of some surfaces of the original Building. Site observation, however, did not indicate areas of peeling paint meaning that the paint was intact on the walls and ceilings. The Sponsor does not intend to remove any lead-based paint that may be in the Building, except to the extent required by law, or removed in connection with the Sponsor's Plans and Specifications for the rehabilitation of the Building and the construction of the Residential Units. In the future if the walls and ceilings of the Residential Units are demolished or altered, code approved provisions for treatment of lead-based paint surfaces will need to be followed including approval of the Board of Managers if testing reveals the presence of lead-based paint.

(4) **Only one means of egress from the cellar and sub-cellar level.**

There is only one means of egress from the cellar sub cellar areas. This is insufficient to meet current code standards that require two means of egress. It was not ascertained if this is a pre-existing condition in place before the code requirement for multiple egress from cellar/sub-cellar spaces were put in place. No violation has been issued. If in the future, the New York Fire Department or Building Department require multiple egress from the sub-cellar, the estimated cost to provide the second means of egress would be

approximately $ 45,000 if a new 2 story public stairway were to be built in the former elevator enclosure located on the eastern side of the Building (along with some partition and door work included in the cost estimate). The enclosure would be built in mechanical room #2 (which is part of the Residential Limited Common Elements) in the sub-cellar, and a specified part of Commercial Unit 2 in the cellar. See floor plan of Commercial Unit 2 in Document 5 of Part II for location, and see Section H, subsection H-7.6 in Part I of the Plan for right and easement in favor of the Condominium Board to erect and install such public stairway. If a second means of egress is required for Commercial Unit 2 on its cellar level, the Owner of such Commercial Unit will have the right and easement, and will be obligated, at its sole cost and expense, to remove a Party Wall separating such Unit from the public corridor adjacent thereto and install a door meeting all fire and building code requirements (see said subsection H-7.6 for discussion).

(5) Elevator defects

Within the next seven to ten years, the elevators will require a thorough modernization that will cost an estimated $ 260,000 (exclusive of inflation). This modernization/upgrading of the two elevators will be required to maintain long term reliability and satisfactory levels of performance. Typical modernization projects include the installation of microprocessor based controllers, selectors, solid state landing and leveling systems, signals, operating fixtures, door rehabilitation package, and the repair/replacement of worn components .

(6) Asbestos

Notwithstanding the filing of ACP-5 or ACP-7 reports which the Sponsor may file, the Sponsor makes no representation that any Units or common areas are free of asbestos or asbestos carrying materials. If asbestos is present in the Building, the Board of Managers would need to institute an operations and maintenance (o & m) program as outlined in the Asbestos Report included in the Offering Plan.

I. LEONARD MESSER, P.E.

CONSULTING ENGINEER

P.O. BOX 030500, ELMONT, NY 11003-0500

TEL: (718) 591-3113

FAX: (718) 591-4548

CRITICAL EXAMINATION OF EXTERIOR WALLS AND EXTERIOR APPURTENANCES PURSUANT TO LOCAL LAW #10 OF 1980 AS AMENDED BY LOCAL LAW #11 OF 1998 & SECTION C26-105.3(A) OF THE ADMINISTRATIVE CODE OF THE CITY OF NEW YORK

1. *Address of Critical Examination:* 130 West 30th Street, Manhattan
2. *Location:* south side of West 30th Street
3. *Block Number:* 805
4. *Lot Number:* 81
5. *Name of Owner:* 130 Investment Partnership, LP
6. *Address of Owner:* 130 West 30th Street
7. *Agent or person in charge:* Philip Dicker, Partner
8. *Number of Stories:* 18
9. *Height of Building:* 216'±
10. *Plan Dimensions:* 83'7" x 98'9"
11. *Certificate of Occupancy No.:*
12. *Usage:* commercial
13. *Age:* Built around 1928
14. *Exterior Wall Construction:* brick and terra cotta
15. *Exterior Appurtenances:*
    terra cotta spandrel panels at parapets
    multiple setbacks
    steel double hung windows
16. *History of exterior revisions and repairs:* Previous work has consisted of general maintenance work.
17. *Description of procedures used in making the "critical examination":*
    a) **Visual:** The primary means of examination involved first-hand close visual observation of the exterior building appurtenances. This was accomplished by sighting from the street, the roof and the windows located throughout the building at strategic locations. The latter was especially beneficial since observations from the windows provided a view where the walls can be readily and closely observed at all locations. Multiple scaffold inspections were performed at all facades during January 2000.
    b) **Telescopic:** High magnification binoculars were used at all sighting locations.

Continued on next page

18. *Report of observed unsafe conditions, such as significant deteriorations, movements. etc.:*

None.

19. *The following items were noted as requiring preventative maintenance.. They are conditions which should be corrected in order to prevent the formation of unsafe conditions:*

1. Mortar joints in terra cotta are eroded or missing. Mortar joints in brickwork are deteriorated at many locations as well.
2. Terra cotta elements have cracked, heaved or shifted at a number of locations.
3. Lintel deterioration or deflection was observed at many locations.
4. Parapets at setbacks and the main roof have shifted.

20. *Status of exterior maintenance:* Building exterior has been properly maintained except as noted in items 18 & 19.

21. *Comparison with previous examination:* The fourth cycle critical examination was prepared by SBLM Architects PC and indicated precautionary conditions similar to those noted herein.

22. *Recommendations for repairs and maintenance:* Specific recommendations were noted in items 18 & 19.

Additionally, items such as window glass, window guards and guard rails should be monitored by building personnel, window washers and maintenance people.

23. *Date of start and completion of the critical examination:*

Start: January 2000

Completion: February 24, 2000

The sole purpose of this report is to provide a critical examination of the building exterior as defined by Local Law #10, section C26-105.3(A) of the Administrative Code of the City of New York as amended by LOcal Law #11 of 1998. This report renders an opinion as to the condition of the exterior walls only as of the dates on which the examination was conducted. This report has been prepared for no other purposes.

The Engineer assumes no responsibility for the adequacy of design or construction of the original building, nor for the adequacy of alterations, maintenance or repair work either performed in the past, present or future by contractors or maintenance personnel.

All dimensions of building height, location and size are approximate within the accuracy requirements of this report and are not to be used for other purposes.

A copy of this report is to be submitted to the owner prior to filing with the Department of Buildings.

I. LEONARD MESSER, PE
N.Y.P.E. LICENSE #38540

Continued on next page

The sole purpose of this report is to provide a critical examination of the building exterior as defined by Local Law #10, section C26-105.3(A) of the Administrative Code of the City of New York as amended by LOcal Law #11 of 1998. This report renders an opinion as to the condition of the exterior walls only as of the dates on which the examination was conducted. This report has been prepared for no other purposes.

The Engineer assumes no responsibility for the adequacy of design or construction of the original building, nor for the adequacy of alterations, maintenance or repair work either performed in the past, present or future by contractors or maintenance personnel.

All dimensions of building height, location and size are approximate within the accuracy requirements of this report and are not to be used for other purposes.

A copy of this report is to be submitted to the owner prior to filing with the Department of Buildings.

I. LEONARD MESSER, PE
N.Y.P.E. LICENSE #38540



63702

THE CITY OF NEW YORK

DEPARTMENT OF BUILDINGS

Technical Report: Periodic Inspection of Exterior Walls and Appurtenances

February 21, 1999 – February 21, 2002

Please File 3 Copies

This Form Must Be Typewritten and Microfilmed with the Report

RECEIVED

Control # for location

FEB 2 8 2000

Cycle Number:

1 Filing Status

X Initial Filing | Amended Filing (indicate initial filing date) / / | Supplemental Cycle 4 Local Law 11/98 Filing (indicate initial filing date) / /

Was filing made for any previous cycles (penalty)? If yes, indicate last filing date: X / / 19

2 Location

Borough Manhattan | Block 805 | Lot(s) 81 | BIN

House No(s) ~~130~~ 128 | Street Name West 30th Street

A.K.A. address(es)

3 Applicant

Last Name Messer | First Name T. Leonard | M.I.

Business Name Messer Consultants | Business Phone (718) 591-3113

Address P.O. Box 030500 | City Elmont | State NY | ZIP 11003-0300

X P.E. | R.A. | Lic. No 38540

4 Owner

Last Name Dicker | First Name Philip | M.I. | Title Partner

Business Name 130 Investment Partnership, LP | Business Phone 212-685-5700

Address 130 West 30th Street | City New York | State NY | ZIP 10001

5 Building Characteristics

Number of Stories 18 | Exterior Wall Type Brick & terra cotta

6 Prior Status - Last Cycle Local Law 10/80

Ongoing Maintenance Program | 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

SAFE - All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives.

X SAFE WITH A REPAIR AND MAINTENANCE PROGRAM - All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives except for the recommended Repair and Maintenance work described in the report and below:

See item #19 of report

UNSAFE - All observed conditions conform to Code Requirements and applicable Rules, Regulations and Directives except for the unsafe conditions described in the report and below

8 Statements and Signatures

Falsification of any statement is a misdemeanor under section 210.45 of the Administrative Code and is punishable by a fine or imprisonment, or both.

It is unlawful for any city employee, or for a city employee to accept any benefit, monetary 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.

Applicant's name (print): 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.

STATE OF NEW YORK – LEONARD MESSER – LICENSED PROFESSIONAL ENGINEER – NO 38540

Applicant's signature

Applicant name: Leonard Messer P.E.

Date: 2/24/00

Owner's name (print): I hereby state that I am the owner of the premises referenced in the attached report. Furthermore, I hereby state that I have received a copy of the attached report and that I am aware of the required repairs and/or maintenance, if any, and the recommended time frame for same.

Philip Dicker

Owner's signature

Date: 2/25/00

SEE INSTRUCTIONS ON REVERSE SIDE

Revised 09-88 TR-4

LIMITED ASBESTOS-CONTAINING MATERIALS SURVEY

18-Story Office Building
130 West 30th Street
New York, New York 10001

Prepared for
130 West 30th Street, LLC
New York, New York

By
IVI International, Inc.
White Plains, New York

IVI Project No.: 21010495
October 24, 2002

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ENGINEERING & ENVIRONMENTAL
CONSULTING SERVICES

I INTERNATIONAL, INC.
i Corporate Park Drive
ıite Plains, New York 10604
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w.ivi-intl.com

October 24, 2002

Mr. Henry Justin
President
130 West 30th Street, LLC
115 West 30th Street, Suite 203
New York, New York 10001
(212) 216-0974 (tel)
(212) 736-1520 (fax)

Delivered by Airborne Express

Re: Limited Asbestos-Containing Materials Survey
18-Story Office Building
130 West 30th Street
New York, New York

Dear Mr. Justin:

IVI International, Inc. (IVI) is pleased to submit our Limited Asbestos-Containing Materials Survey on the above-referenced property. This report presents our observations regarding suspect asbestos-containing materials at 130 West 30th Street.

Please call should you have any questions.

Sincerely,

IVI International, Inc.

Charles Montgomery, CEM
Senior Project Manager
NYC Asbestos Investigator

CM/lp

TABLE OF CONTENTS

Cover Sheet
Transmittal Letter

		Page
1.0	SUMMARY OF FINDINGS	1
2.0	PURPOSE AND SCOPE	2
3.0	ASBESTOS SURVEY RESULTS	3
4.0	LIMITING CONDITIONS	7

APPENDICES

Photographs		A
Personnel Profiles		B

1.0 SUMMARY OF FINDINGS

This reports documents IVI International, Inc.'s ("IVI") findings from our Limited Asbestos-Containing Materials Survey (the "Survey") of the 18-Story Office Building (the "Subject"), located at 130 West 30th Street, New York, New York. The property consists of a 0.17-acre parcel improved with a 75-year-old, 131,538 SF high-rise office building scheduled for conversion to residential use. The purpose of this assignment was to identify, quantify and assess the condition of accessible suspect asbestos-containing material (ACM) at the Subject. No bulk sampling was conducted as part of this Survey.

Readily accessible friable suspect asbestos-containing thermal system insulation (TSI) in the form of boiler, boiler breeching and flue insulation, and associated pipe insulation, in good condition was identified in the boiler room, and in the basement of Dimetreos Furs. In addition, friable suspect asbestos containing materials in damaged to significantly damaged condition were observed within pipe chases on the east and west ends of the building.

The following suspect asbestos containing materials were identified as a result of our survey:

Material	Location	Condition	Potential For Disturbance	Friable (Y/N)	Estimated Quantity
Boiler Insulation	Boiler Room	Good	Moderate	Yes	250 SF
Boiler Flue Insulation	Boiler Room	Good	Moderate	Yes	190 SF
Boiler Flue Insulation	Basement File Storage room	Good	Low	Yes	50 SF
Pipe Insulation	Boiler Room	Good	Moderate	Yes	Mixture of Fiberglass and Suspect ACM, Not Quantified
Pipe Insulation	Dimetreos Furs Basement	Good	Moderate	Yes	120 LF
Pipe Insulation	Pipe Chases on East Side of Building	Fair to Significantly Damages	High	Yes	Not Quantified
Pipe Insulation	Pipe Chase on West Side of Building	Good to Fair	Low	Yes	Not Quantified
Built-up Roofing	Roof and Setbacks	Good	Low	No	7,300 SF
9"x9" Resilient Floor Tile	Ground Floor Service Elevator Lobby	Significantly Damaged	Moderate	No	600 SF

Additional friable suspect ACM included 1'x1' acoustical ceiling tile (ACT) in various locations. However, this material has reportedly been identified by others as non-ACM.

In addition, property management stated that all 1' x 1' resilient floor tile and all 2' x 2' and 2' x 4' ACT in the building is also manufactured by Armstrong, and is not suspected to contain asbestos. It should also be noted that window caulking was essentially non-existent at exterior window frames observed by IVI.

IVI recommends that all confirmed and suspect ACM to be affected by planned renovations be handled in accordance with governmental guidelines.

2.0 PURPOSE AND SCOPE

2.1 Purpose

IVI International, Inc. ("IVI") was retained by 130 West 30th Street, LLC on behalf of Henry Justin Realty Services ("HJRS") to prepare a Limited Asbestos-Containing Materials Survey on the Subject in accordance with our agreement dated October 16, 2002. The purpose of this assignment was to identify the type, location and quantities of ACM in the Subject.

2.2 Survey Scope

2.2.1 ACM Identification

The review of provided asbestos documentation and building plans and specifications and a survey of accessible areas in order to identify and quantify homogenous areas of suspect ACM within each operational building area was conducted. Homogeneous areas are those building materials exhibiting a uniform texture, color, and appearance. Exploratory probing and/or the moving of building materials for the purposes of identifying and quantifying inaccessible suspect ACM was beyond the scope of this assignment.

2.2.2 Bulk Sampling of Suspect ACM

No bulk sampling was conducted as a part of this visual assessment.

2.2.3 Quantification

Quantities of known and suspect ACM were determined by use of a measuring wheel, to-scale floor plans, by counting tiles of known size, or by other means which would lead to a reasonably accurate estimate of quantity. A visual estimation of quantities of known and suspect ACM was used when appropriate.

3.0 ASBESTOS SURVEY RESULTS

3.1 Site Visit Information

Site Inspection Conducted By: Charles Montgomery, C.E.M., Senior Project Manager

Site Contact: [redacted], The Site Superintendent

Date of Site Visit: October 18, 2002

Charles Montgomery is a licensed New York City Asbestos Investigator (License No 80840, Expiration Date April 14, 2003) with over 10 years of experience conducting asbestos investigations for IVI and has inspected over 150 buildings for asbestos.

Building Description

The Subject is improved with a 75-year-old, 131,538 SF, 18-story high-rise office building. Site improvements include only the subject structure and ancillary site improvements. The building has a cellar featuring cast-in-place concrete and concrete masonry unit (CMU) walls, and the superstructure is of concrete-encased structural steel. Exterior walls feature brick siding. The flat roof is covered with a smooth-surface built-up roofing system.

Interior finishes include floor coverings of carpet, resilient floor tile, ceramic tile, marble tile, hardwood, bare concrete, and granite, walls of painted and papered gypsumboard and painted and papered plaster and ceilings typically consist of painted drywall, painted plaster, and a suspended system with inlaid acoustical ceiling tiles.

Heating is provided by oil-fired boilers. Air conditioning is provided by electric package units located on various floors. Vertical transportation is provided by traction passenger elevators and a traction freight elevator.

The building is scheduled for conversion to residential use.

3.2 Summary of Inspection

3.2.1 Identification of Homogeneous Areas of Suspect ACM

IVI conducted a floor-by-floor walk through of all accessible tenant spaces, building common areas, basement areas and roof. Specifically, IVI was escorted by [redacted], the Site Superintendent to over 90% of the building spaces including each floor of the Subject, throughout the tenanted area and associated mechanical and storage spaces on each floor. IVI also accessed the vacant floors, ground-floor retail spaces, and their associated basements. Access was also provided to the boiler room, basement file storage room, and electrical room, Superintendent's Office, and basement vaults. IVI also observed the plenum above the suspended acoustical ceiling tile in random locations of the tenant areas.

3.0 ASBESTOS SURVEY RESULTS - continued

Based on our walk through of the building, IVI identified the following homogeneous groups of friable suspect ACM:

- Boiler Insulation
- Boiler Flue Insulation
- Pipe Wrap Insulation in Accessible Areas
- Pipe Wrap Insulation in Pipe Chases

In addition, IVI identified the following homogeneous groups of non-friable suspect ACM:

- 9"x 9" Resilient Floor Tile Assemblies
- Built-up Roofing Materials

~~Refer to the tables below for a listing of the areas of suspect asbestos~~ containing material homogeneous areas and the materials sampled:

Suspect Friable ACM Locations

Material	Location	Condition	Potential For Disturbance	Quantity
Boiler Insulation	Boiler Room	Good	Moderate	250 SF
Boiler Flue Insulation	Boiler Room	Good	Moderate	190 SF
Boiler Flue Insulation	Basement File Storage room	Good	Low	50 SF
Pipe Insulation	Boiler Room	Good	Moderate	Mixture of Fiberglass and Suspect ACM, Not Quantified
Pipe Insulation	Dimetreos Furs Basement	Good	Moderate	120 LF
Pipe Insulation	Pipe Chases on East Side of Building	Fair to Significantly Damages	High	Not Quantified
Pipe Insulation	Pipe Chase on West Side of Building	Good to Fair	Low	Not Quantified

The friable suspect ACM in the readily accessible basement areas is in good condition with a moderate potential for disturbance. Of note, the pipe insulation in the boiler room was a combination of fiberglass, and suspect ACM, and could not be readily quantified, but was nevertheless in good condition with a moderate potential for disturbance.

The pipe insulation observed within the pipe chase on the western side of the building was in good to fair condition. According to property management,

3.0 ASBESTOS SURVEY RESULTS - continued

this pipe chase will not be disturbed by planned renovations, and this material therefore has a low potential for disturbance.

The pipe insulation observed within the pipe chases adjacent to the bathrooms on the east side of the building was in fair to significantly damaged condition. Based on our observations of partially demolished walls around the pipe chases, there is a high potential for disturbance of this material.

According to property management, all 2' x 2' and 2' x 4' acoustical ceiling tile (ACT) in the building is manufactured by Armstrong, and is not suspected to contain asbestos. Property management also stated that the 1' x 1' splined ACT identified in various tenant spaces has been previously tested as non-ACM. This documentation was not readily available for review.

Suspect Non-Friable ACM Locations

Material	Location	Condition	Potential For Disturbance	Quantity
9"x9" Resilient Floor Tile	Ground Floor Service Elevator Lobby	Significantly Damaged	Moderate	600 SF
Built-Up Roofing Materials	Roof	Good	Low	7,300 SF

In addition, property management stated that all 1' x 1' resilient floor tile in the building is also manufactured by Armstrong, and is not suspected to contain asbestos. It should also be noted that window caulking was essentially non-existent at exterior window frames observed by IVI.

3.2.2 Response Action Recommendations

Areas of significantly damaged ACM or asbestos debris should be abated through removal in accordance with governmental regulations. Areas of damaged ACM should be abated through either removal, encasement, encapsulation, enclosure or by the repair of the damaged area. All ACM remaining in the building should be managed in-place under an asbestos Operations & Maintenance (O&M) program, an interim control.

Interim controls are non-permanent measures to prevent in-place asbestos from being disturbed or improperly removed until removal is conducted. After the detection of a potential asbestos hazard and prior to its abatement, it is necessary to institute interim controls. The interim controls or major elements of an Operations and Maintenance Program include:

3.0 ASBESTOS SURVEY RESULTS - continued

- Good housekeeping and building maintenance programs.
- Training of building managers and maintenance/custodial personnel.
- Updating building records to indicate the presence of ACMs.
- Posting of asbestos warning signs in maintenance areas with asbestos.
- Notification of occupants and contractors of the location of ACMs.
- Permit program to control activities by employees and contractors that might disturb ACMs.
- Periodic re-surveys to detect changes in material condition.

There are four recognized abatement alternatives:

- Enclosure
- Encapsulation
- Encasement
- Removal

Removal of asbestos containing materials is the only permanent abatement method. By removing asbestos containing materials, the building owner is removing the risk of potential exposure. Removal costs are generally higher than encapsulation, encasement and enclosure. Abatement alternatives are limited to removal when substantial renovation or demolition is planned.

Prior to demolition or renovation, the asbestos abatement, if required, should be designed by a certified asbestos consultant, and the abatement conducted by a licensed asbestos contractor. Additionally, air testing conducted by a licensed third party air monitor before, during and following the completion of this project is often required. Based on the quantity of asbestos to be removed, notification to regulatory authorities may be required.

4.0 LIMITING CONDITIONS

This report has been prepared in accordance with generally accepted practices for conducting asbestos surveys in general compliance with EPA Document 560/5 85 024 dated June 1985 entitled *Guidance for Controlling Asbestos Containing Materials in Buildings.* However, no bulk samples were collected as part of this investigation.

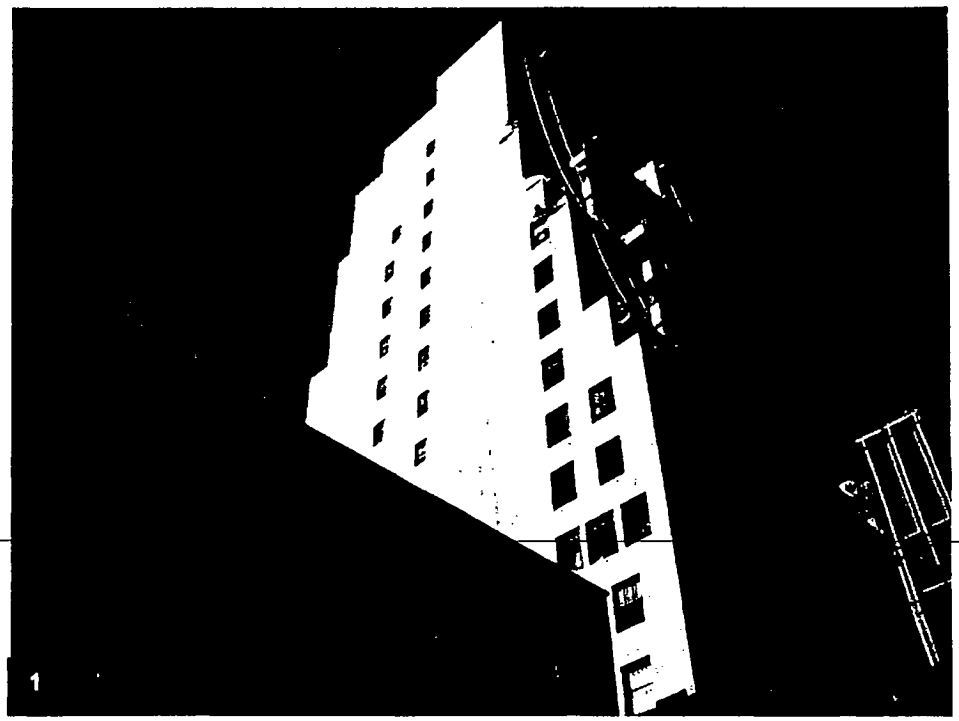
IVI International, Inc. has attempted to observe the existing conditions at the site utilizing generally accepted survey procedures. Regardless of the thoroughness of a survey, the possibility exists that some areas containing asbestos were overlooked, inaccessible, or different from those at specific locations.

The observations described in this report were made under the conditions stated herein. The conclusions presented in the report were based solely on the services described therein and within the constraints imposed by the client, and not on scientific tasks or procedures beyond the scope of described services. The work of this report was carried out in accordance with the Terms and Conditions of the contract.

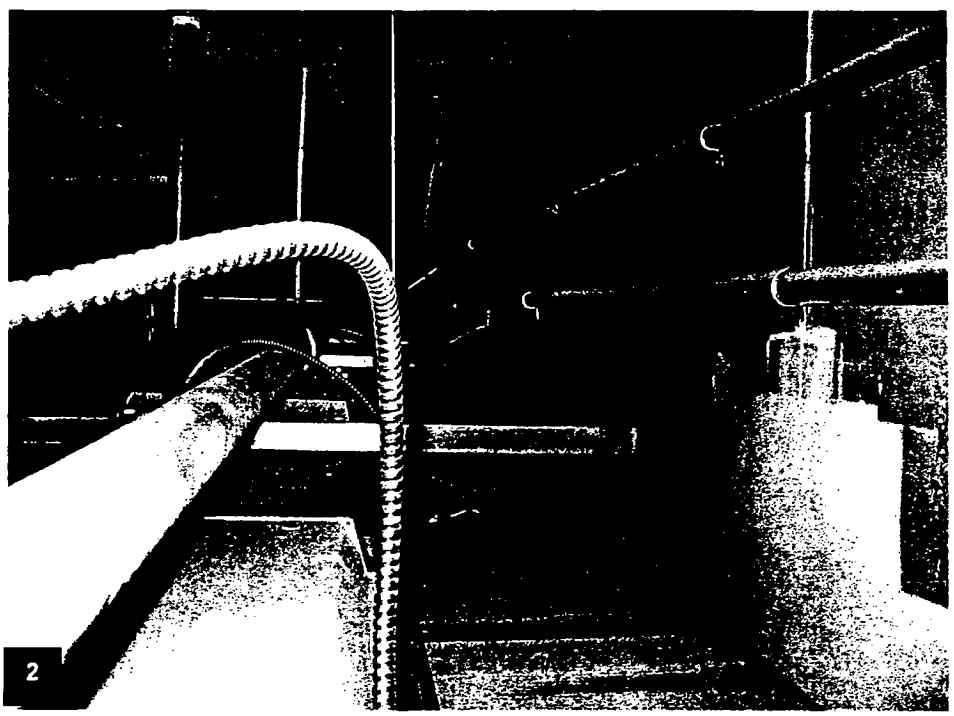
The asbestos quantity estimates presented in this report were based upon observations during the survey. While it is believed that the estimated quantities are reasonable, unanticipated conditions could be present in inaccessible or unsurveyed areas. IVI does not warrant or guarantee the quantity estimates, and the use of such estimates shall be at the user's own risk and shall constitute a release and agreement to defend and indemnify IVI from and against any liability.

Observations were made of the site structures. Where access to portions of the building was unavailable or limited, including those areas where the survey was limited by a lack of lighting, IVI renders no opinion as to the presence of asbestos containing material. In addition, IVI renders no opinion as to the presence of indirect evidence relating to asbestos containing material, where direct observation of the ground surface, interior walls, floors, ceiling or a structure is obstructed by objects or materials covering on or over these surfaces.

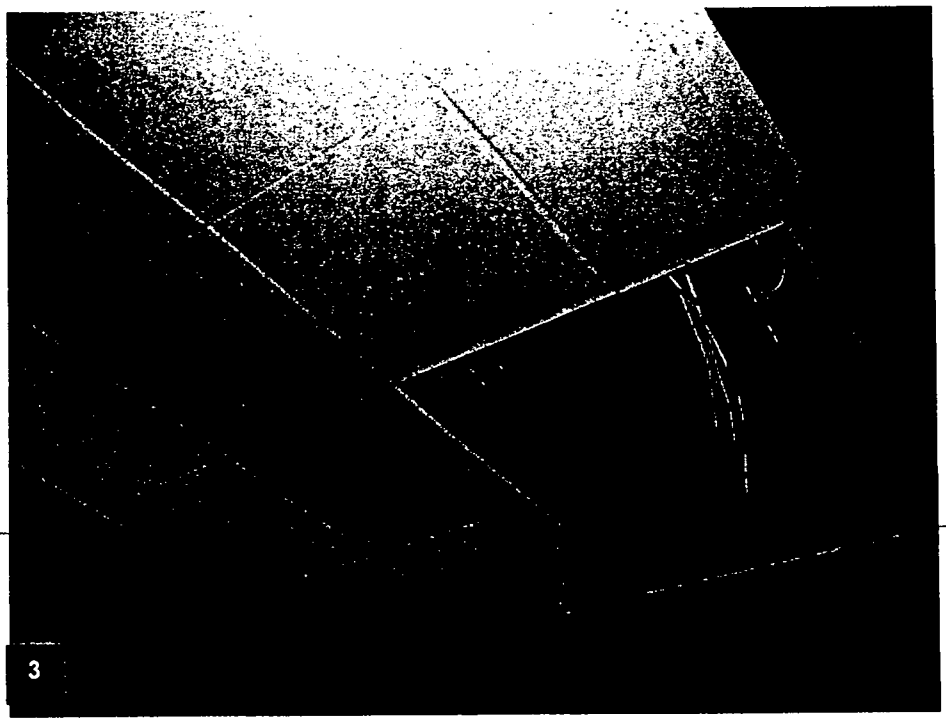
IVI has produced this document under an agreement between IVI and 130 West 30th Street, LLC. All terms and conditions of that agreement are included within this document by reference. Any reliance upon this document, or upon IVI's performance of services in preparing this document, is conditioned upon the relying party's acceptance and acknowledgement of the limitations, qualifications, terms, conditions and indemnities set forth in that agreement, and property ownership/management disclosure limitations, if any. It is not to be relied upon by any party other than 130 West 30th, LLC nor used for any purpose other than that specifically stated in our Agreement without IVI's advance and express written consent. This report may be included in the Condominium Offering Plan for 130 West 30th Street NY, NY.



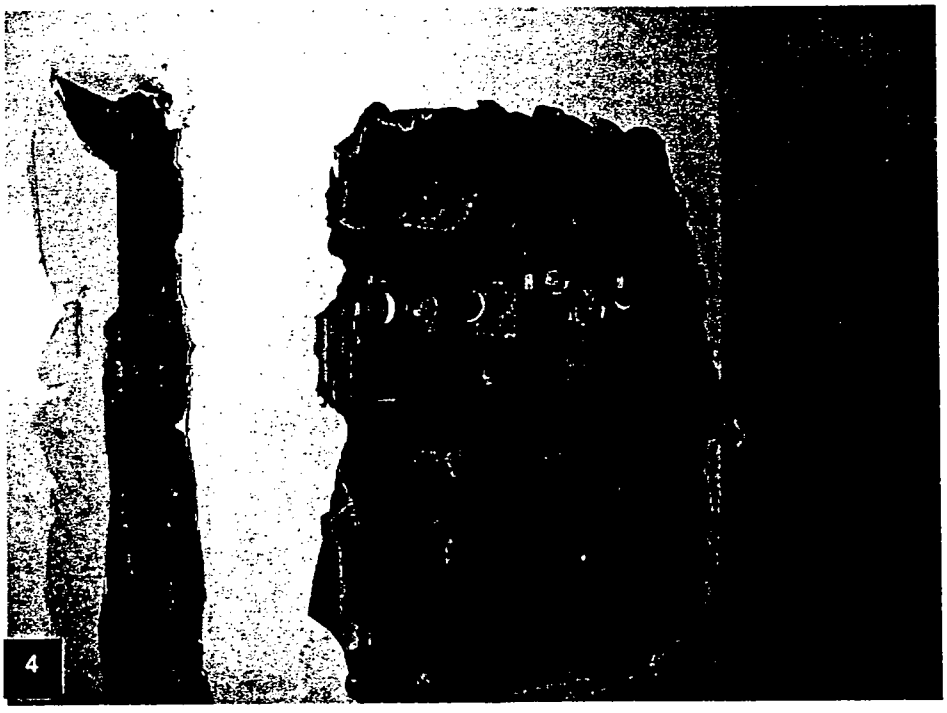
Upper Facade of Subject



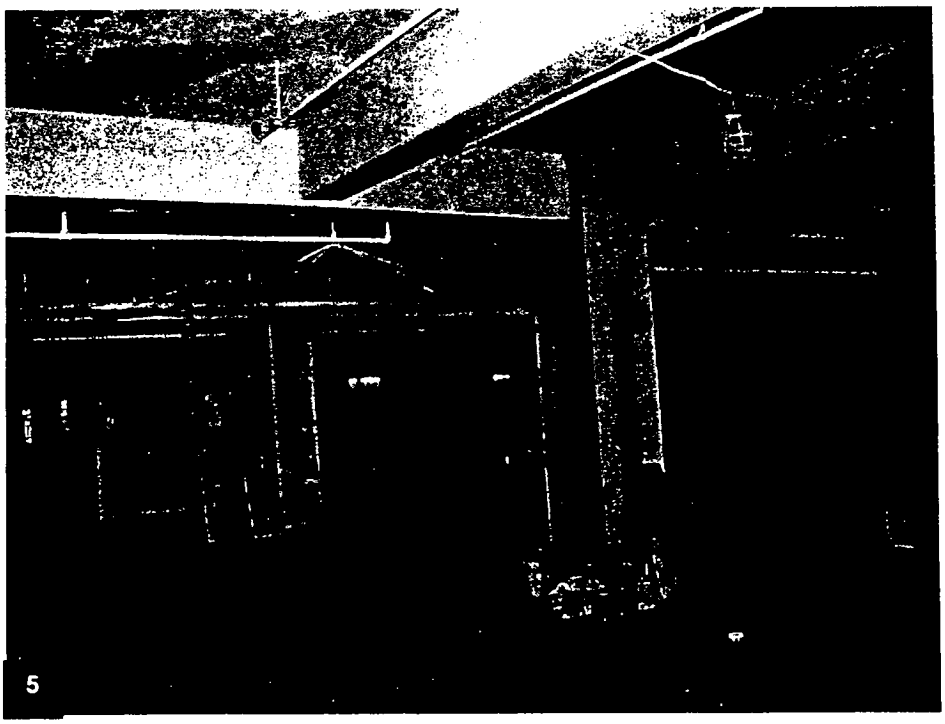
Typical View Above Suspended Ceiling



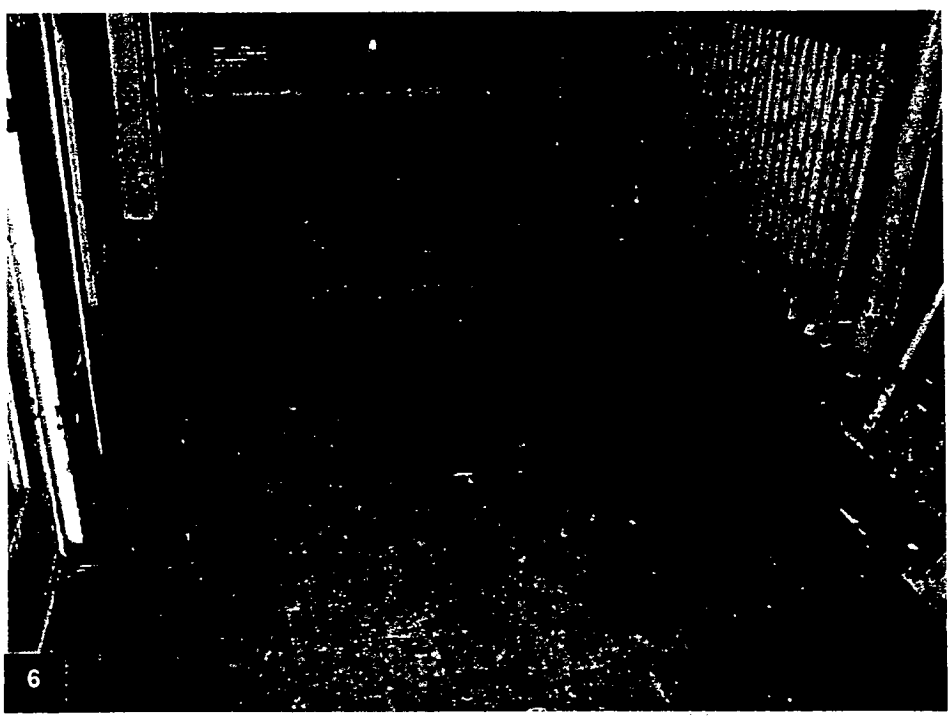
Splined 1'x1' Acoustical Ceiling Tile



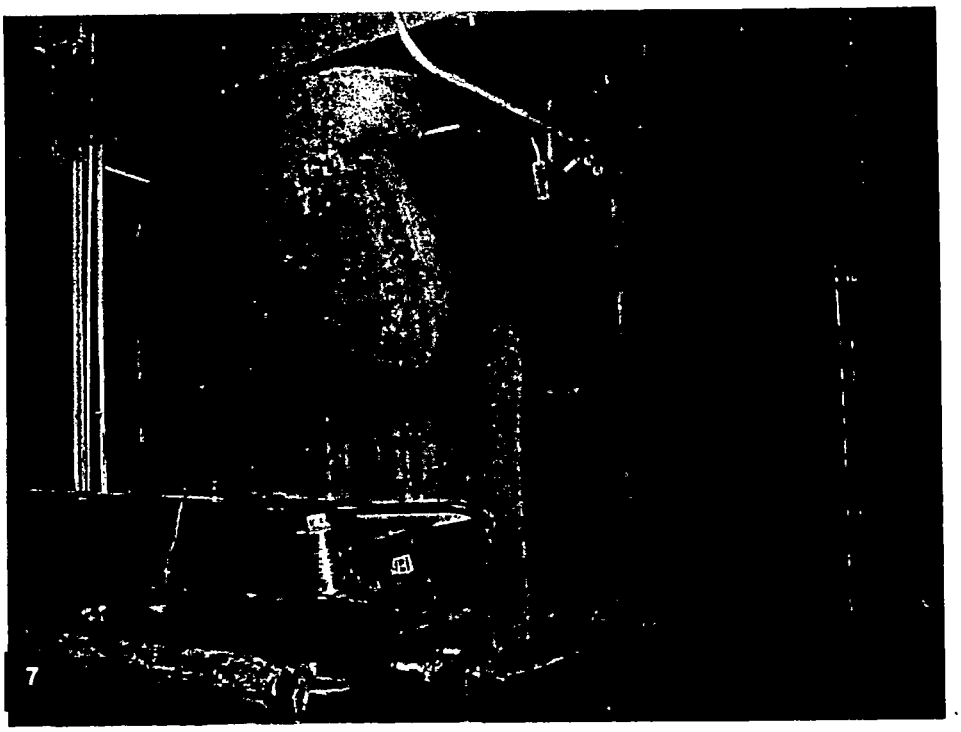
Suspect Asbestos-Containing Pipe Insulation In Wet Column by Bathrooms



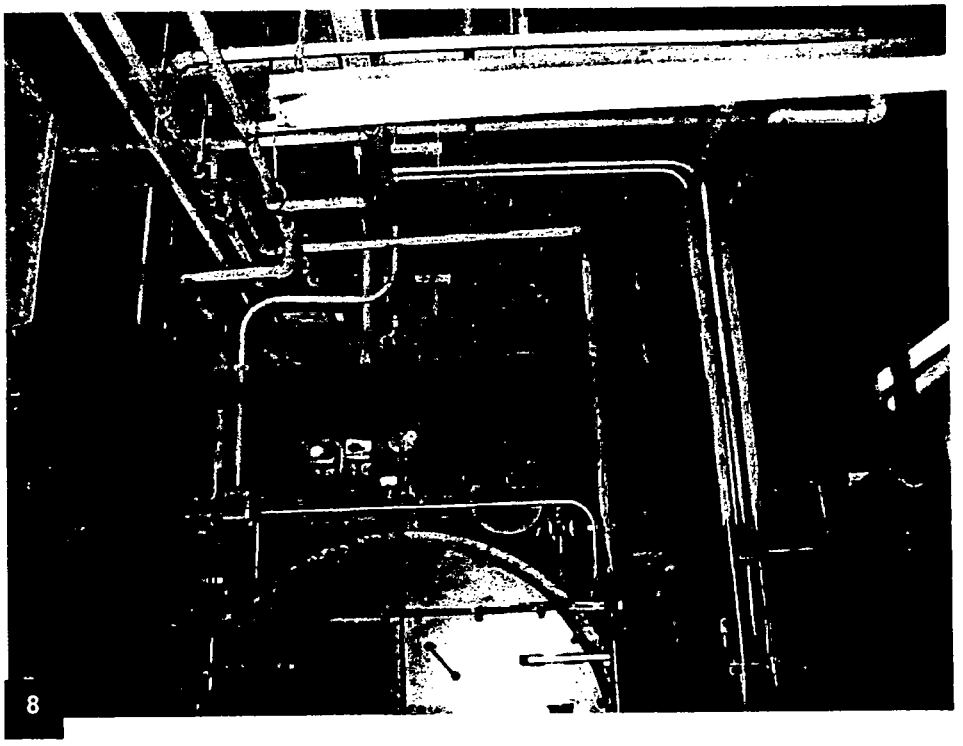
Typical Tenant Space



9"x9" Resilient Floor Tile in Poor Condition in the Service Lobby



Abandoned Boiler With Friable Suspect ACM



Boiler Flue With Suspect ACM

Charles E. Montgomery, CEM, Senior Project Manager

Technical Experience

Phase I Environmental Site Assessments, Lead and Asbestos Surveys, ionizing and non-ionizing radiation surveys. On-site investigations, historical record research, governmental file reviews, and asbestos surveys and quantity take-offs, and asbestos abatement management.

Experience Summary

Twelve years experience in the environmental field with experience throughout the United States, including Asbestos and Lead Paint Surveys, and Underground Storage Tanks and Phase I and Phase II Assessments. Senior Project manager and advisor to Phase I technical staff.

Credentials

- B.A., Environmental Science – State University of New York, Purchase, New York;
- Certificate in Environmental Management – State University of New York, Purchase, New York;
- Air Photo Interpretation – Cornell Cooperative Extension;
- Surface/Groundwater and Soil Field Sampling – Rutgers University, Cooks College, School of Continuing Education; and,
- Phase I Environmental Assessments – NYU School of Continuing Education.

Certifications

- Licensed NYC Asbestos Investigator
- USEPA Certified Lead Paint Inspector
- USEPA certified Lead Risk Assessor;
- Accredited AHERA Asbestos Inspector;
- Accredited AHERA Asbestos Management Planner
- Nevada Certified Environmental Manager No. 1623, State of Nevada;
- NYSDOL – Certified Asbestos Project Monitor;
- NIOSH 582 Equivalency for Sampling and Evaluating Airborne Asbestos;
- RMD's LPA-1 XRF Radiation Training
- NYSDOL – Recognized Radiation Safety Officer;
- Certified NJDEPE UST Inspector;
- 40-hour OSHA Hazardous Material Handlers Certification.
- State of Michigan Certified Asbestos Inspector; and,
- State of Michigan Certified Asbestos Site Supervisor

Associations/Affiliations

- New York Academy of Sciences
- Environmental Information Association

Key Projects

- **Woolworth Building, New York, NY** – Phase I Environmental Site Assessment
- **Consolidated Edison** – consultant for asbestos abatements of various power plants in New York City
- **Empire State Building, New York, NY** – Phase I Environmental Site Assessment
- **Penta Hotel, New York City** – Asbestos Survey, Phase I Environmental Site Assessment
- **Archdiocese of New York** – consultant for asbestos abatement of schools
- **Wolfchase Galleria, Memphis, TN** – Phase I Environmental Site Assessment
- **W.R. Grace Building, New York, NY** – Phase I Environmental Site Assessment
- **Fountain Park, Dallas, TX** – Phase I Environmental Site Assessment of a premier office building in downtown
- **Givaudan-Roure, Clifton, NJ** - Phase I Environmental Site Assessment of a Former Chemical Production Facility
- **The International Design Center of New York** – Phase I Environmental Site Assessment of a 1,000,000 SF office furniture warehouse

PROPOSED
OPERATIONS AND MAINTENANCE
PROGRAM FOR
ASBESTOS-CONTAINING MATERIALS

130 West 30th Street
New York, New York

Prepared by
IVI International, Inc.
White Plains, New York

TABLE OF CONTENTS

Page

A. Property Owner Policy 1

B. Introduction 3

C. Site Background 4

D. Program Participants 5

1. The Asbestos Coordinator 5
2. Building Engineer or Maintenance Supervisor 7
3. Employees 8
4. Consultant 9
5. Outside Contractors 9

E. Notification Procedures 10

F. Employee Protection 11

1. Worker Training Program 11
2. Medical Examinations 12

G. Respirator Program 13

1. Respirator Fit Testing and Assignment 13
2. Selection of Respirators 13
3. Personnel Approved for Respirator Use 13
4. Fit Testing 13
5. Respirator Care and Maintenance 13

H. ACM Semi-Annual Inspections 15

I. Air Quality Monitoring 16

J. Equipment 18

K. Establishing Appropriate Work Practices 19

1. Standard Operating Procedures 19
2. Vinyl Asbestos Flooring 20
3. Small Disturbances 20
4. Other ACM 22

TABLE OF CONTENTS - continued

Page

5. Glovebag Procedures 22
6. Repair of Damaged Thermal System Insulation 25

a. Piping 25
b. Fittings 26
c. Equipment Lagging 26
d. Boiler and Smoke Hood Breaching Lagging 26
e. Labeling 27

L. Emergency Procedures 28

M. Disposal of Asbestos Material 29

N. Record Keeping 30

Appendix I. Response Action Table 32
Appendix II. ACM Forms 33
Form No. 1 - Asbestos-Containing Material Condition 33
Form No. 2 - Job Notification Form 36
Form No. 3 - Outside Contractor Statements 37

A. PROPERTY OWNER POLICY

This asbestos-containing material (ACM) Operation & Maintenance (O&M) Program sets forth the policy of the property owner regarding activities which may have an impact on the ACM present at, 130 West 30th Street, New York, New York. The O&M Program is designed to protect the health and safety of all persons who may come into contact with ACM at 130 West 30th Street and to comply with regulations set forth by the USEPA, the Occupational Safety and Health Administration (OSHA) and all appropriate state and local regulatory agencies.

The O&M Program details procedures designed to ensure that ACM, whenever possible, is not disturbed. Handling and decontamination procedures associated with routine maintenance and small-scale removal of ACM are also included. The O&M Program shall provide all the information necessary to implement a proper asbestos management program at 130 West 30th Street.

It is the express policy of the property owner that no employee or outside contractor shall remove any ACM except as part of small-scale, short-duration maintenance or repair operations and in accordance with the law. These routine operations, which may be performed solely by trained personnel, are more fully described in Section K of this O&M Program.

Activities which are small-scale, short-duration maintenance or repair projects may be undertaken by trained maintenance employees at 130 West 30th Street or by qualified outside contractors, as appropriate, subject to the provisions of this O&M Program and applicable local, state and federal regulations. Small-scale, short-duration projects are defined as those in which less than three square feet or three linear feet of ACM are to be disturbed. All large scale projects must be designed by EPA or New York-accredited project designers and carried out by persons accredited by the USEPA or the State to undertake response actions.

Various materials at 130 West 30th Street are suspect ACM which have not been analyzed by electron microscopy. For maintenance purposes, these materials are assumed to contain asbestos. In the event of planned large-scale disturbance of assumed ACM, samples of these materials should be analyzed using electron microscopy to ascertain their asbestos content.

A. PROPERTY OWNER POLICY - continued

The Asbestos Coordinator (AC) may choose to institute a program to assess the fiber release potential of less than 0.1% materials. In the event that this program demonstrates that fiber levels do not exceed the clean (uncontaminated) air standard of 0.01 fiber per cubic centimeter (f/cc) during removal activities, maintenance operations affecting less than 0.1% materials may be performed using less stringent controls than those outlined in this program.

The specific recommendations included in this O&M Program are drawn, in part, from the National Institute of Building Sciences (NIBS) Asbestos Abatement Specifications and from USEPA documents, including a draft O&M program dated February 13, 1987.

B. INTRODUCTION

Asbestos is a proven human carcinogen. Exposure to airborne asbestos can cause respiratory disease, lung cancer, mesothelioma, and other types of cancer. The use of asbestos in construction materials has raised concern about exposure to airborne asbestos in some buildings. If ACM remains in good condition and is unlikely to be disturbed, exposure will be negligible. However, when ACM is damaged or disturbed, asbestos fibers are released, thus creating a potential hazard for building occupants.

An O&M Program for ACM is a set of activities and procedures designed to minimize exposure of building occupants and workers to airborne asbestos fibers that either have been, or may be, released in the building. An ongoing O&M program should be established in all buildings with ACM as soon as the presence of asbestos is confirmed, or where the presence of asbestos is presumed, and should be maintained until all ACM is removed.

The O&M Program is designed to: (1) remove asbestos fibers that may have been released previously, and (2) avoid or control disturbance of ACM during building activities in order to eliminate or greatly reduce the future release of fibers. The focus of an O&M Program is on building maintenance and service workers, as their activities directly affect building materials and bring them into contact with ACM. The O&M Program addresses both major and minor maintenance activities including maintenance and repair work on building systems and routine cleaning and custodial work. This O&M document should be distributed to all appropriate maintenance and outside contractor personnel.

C. SITE BACKGROUND

130 West 30th Street has been the subject of a limited survey by IVI designed to identify suspect ACM in readily accessible areas. Such areas do not include areas behind walls, above dropped ceilings or in other typically inaccessible locations. All such materials and any suspect materials, which are encountered during activities in which access to previously inaccessible areas is necessary, must be assumed to be ACM. In the event of any renovation or demolition project in which unknown materials are revealed, the AC must be notified and the suspect material sampled and analyzed for asbestos content. In addition, whenever work requiring extensive demolition is to be performed, the advice of an asbestos consultant should be sought.

One of the primary aims of the O&M Program is to ensure that adequate records regarding ACM at 130 West 30th Street are maintained for as long as ACM remains in the building. It is therefore critical to notify the AC and complete all appropriate forms any time activities require disturbance of ACM. No ACM should be removed or disturbed prior to submittal of notification to the AC.

Suspect ACM is suspected to exist at 130 West 30th Street in the locations listed below. The condition of these materials at the time they were inspected on October 18, 2002 ranged from good to significantly damaged.

"Good condition" refers to material with no visible damage or deterioration, or showing only very limited damage or deterioration; "Damaged" refers to less than 10% of the material damaged, if damage is evenly distributed, or less than 25% of the material if the damage is localized; and "Significantly damaged" refers to 10% or greater of evenly distributed damage, or 25% or greater of localized damaged.

Material	Location	Condition	Potential For Disturbance	Friable (Y/N)	Quantity
Boiler Insulation	Boiler Room	Good	Moderate	Yes	250 SF
Boiler Flue Insulation	Boiler Room	Good	Moderate	Yes	190 SF
Boiler Flue Insulation	Basement File Storage room	Good	Low	Yes	50 SF
Pipe Insulation	Boiler Room	Good	Moderate	Yes	Mixture of Fiberglass and Suspect ACM, Not Quantified
Pipe Insulation	Dimetreos Furs Basement	Good	Moderate	Yes	120 LF
Pipe Insulation	Pipe Chases on East Side of Building	Fair to Significantly Damages	High	Yes	Not Quantified
Pipe Insulation	Pipe Chase on West Side of Building	Good to Fair	Low	Yes	Not Quantified
Built-up Roofing	Roof and Setbacks	Good	Low	No	7,300 SF
9"x9" Resilient Floor Tile	Ground Floor Service Elevator Lobby	Significantly Damaged	Moderate	No	600 SF

D. PROGRAM PARTICIPANTS

Participants in the O&M Program include the AC, building engineer, consultant, building staff, employees, and outside contractors.

1. The AC

The AC shall have overall responsibility for implementing and documenting the program as the property owner's representative. The AC is directly responsible to the property owner and must be knowledgeable about the health effects of asbestos, the requirements of regulations concerning asbestos, and all aspects of asbestos assessment, control and management.

The AC shall:

- Ensure that the activities of any persons who perform inspections, reinstallations, and periodic surveillance, and develop and implement response actions, including this O&M Program, are carried out in accordance with the provisions of all applicable local, state, and federal regulations;
- Ensure that all custodial and maintenance employees are properly trained and supervised in keeping with the provisions all applicable local, state, and federal regulations;
- Ensure that workers and building occupants are informed at least once each year about inspections, response actions, and post-response action activities, including periodic reinspection and surveillance activities that are planned or in progress;
- Ensure that short-term workers or non asbestos-related outside contractors who may come in contact with asbestos in the building are provided information regarding the locations of identified ACM and suspected ACM and that they have read and understood all relevant provisions of the O&M Program;
- Ensure that warning labels are posted in accordance with the guidelines outlined in OSHA 1910.1001, 1910.1200 and 1926.58;
- Ensure that the O&M Program is available for inspection and that notification of such availability has been provided;
- Ensure that the building is reinspected at least every six months by an individual who has been trained in the provisions of the O&M Program and at least every three years by the consultant. All ACM both known and suspected, must be reinspected;
- Ensure that proper notification as to the presence and location of ACM has been given in accordance with applicable local, state and federal regulations;

D. PROGRAM PARTICIPANTS - continued

- Ensure that the consultant performs semi-annual air monitoring or that the consultant develops an in-house air monitoring program for implementation at 130 West 30th Street;

- Maintain a record of all known ACM remaining within the structure and all work related to ACM;

- Maintain all records pertaining to ACM for a period of at least 30 years or longer, if required by applicable local, state or federal regulations. These records shall include medical records of employees who have disturbed or removed ACM in the course of their work, and training records for all maintenance personnel;

- Ensure that a medical examination is made available to each employee required to handle ACM;

- Consult with experts and state, local and federal regulatory agencies annually regarding any changes in best available technologies and regulations regarding ACM;

- Request consultation with experts when the solution of an ACM related problem lies outside the scope of this program or beyond the training of employees, expertise of employees, or both;

- Coordinate the property owner's relationship with any parties who may be involved in ACM management;

- Ensure that all ACM abatement and disposal performed complies with applicable USEPA, OSHA, state and local regulations and laws;

- Advise outside, non asbestos-related contractors of the existence of ACM in the building and the precautions necessary to protect building occupants and themselves;

- The AC should visit the work site when the work is initiated and periodically thereafter to verify that maintenance is being performed according to the requirements of this O&M Program. The AC's observations should be appropriately recorded. Any deviation from appropriate work practices should be corrected immediately. Upon completion of the work, a copy of the AC's written evaluation should be placed in a permanent file;

- Determine whether planned work associated with ACM is classified as Class I, II, III or IV and ensure that all work is conducted and completed in accordance with all applicable local, state and federal regulations; and,

D. PROGRAM PARTICIPANTS - continued

- Qualify and function as the "Competent Person" in all areas where asbestos Class I, II or III work is conducted.

2. Building Engineer or Maintenance Supervisor

The building engineer shall:

- Be trained and knowledgeable in all the activities described below, as well as with the asbestos hazards associated with the position;
- Determine prior to any work if the possibility exists that ACM may be disturbed. If ACM is to be disturbed, an Asbestos Job Notification form (Appendix II, Form No. 2) must be completed and submitted to the AC;
- Inform all assigned employees that ACM may be encountered;
- Ensure the availability of adequate supplies and equipment for contact with ACM;
- Determine, in conjunction with the AC, whether in-house staff or, alternatively, an outside abatement contractor will perform any work which may involve disturbing ACM. In general, if maintenance activities require removal of ACM, an outside contractor should perform such work. Other activities, such as removing light fixtures, or any minor activity, may be handled by a properly trained in-house staff member on a case-by-case basis;
- Arrange, in conjunction with the AC, for any air monitoring that may be required;
- Ensure that all employees present in ACM areas are trained in accordance with the O&M Program and adhere to its provisions;
- Ensure that all employees are informed of the availability of, and provide upon request, self-help smoking cessation program material (NIH Publication No. 89-1647 or its equivalent);
- Ensure the use and proper fitting of personal protective equipment by all employees engaged in ACM-related work;
- Transmit all documents and records generated in connection with ACM-related work to the AC; and
- Arrange with the AC for the disposal and documentation of disposal of all ACM removed.

D. PROGRAM PARTICIPANTS - continued

3. Employees

All employees shall have completed the following prior to commencing any ACM-related work:

- a medical examination in accordance with OSHA regulations and this O&M Program.
- a formal training program; and
- a respirator fit test.

An employee who declines to participate in ACM-related work, or who refuses related medical examinations or training, shall not be penalized.

Prior to any ACM-related work, the building engineer or maintenance supervisor shall advise all employees assigned to the work of the likely presence of ACM.

Only trained employees shall be allowed to perform ACM-related work and all trained employees shall wear respirators and personal protective clothing and equipment in accordance with the program or as directed by the AC prior to actually disturbing any ACM.

Each maintenance employee who may come into contact with ACM or suspect ACM during the normal course of the employees duties shall attend a training course. The length of the course shall depend on the degree to which the maintenance employee's work brings the employee into contact with ACM.

The O&M Program's procedures can protect the safety and health of employees only when they are implemented conscientiously. It is the responsibility of each employee to perform the employee duties in a manner, which places due emphasis and care on the handling of ACM and on the control of asbestos fiber release. Each employee should be aware of the potential health effects of exposure to asbestos. The use of common sense coupled with conscientious implementation of the proper procedures as set forth in the Program and as explained by the AC should permit work involving contact with ACM to be completed safely and efficiently.

D. PROGRAM PARTICIPANTS - continued

4. Consultant

The consultant shall:

- Provide bulk analysis of suspect material;
- Analyze all air samples taken at 130 West 30th Street during semi-annual air monitoring;
- Evaluate the condition of ACM as requested by the AC, and during reinspection of all ACM at the building every three years;
- Conduct semi-annual air monitoring or design an in-house air monitoring program at 130 West 30th Street;
- Monitor asbestos abatement work performed by outside asbestos abatement contractors;
- Administer the contract specifications prepared for abatement work performed by an asbestos abatement contractor; and
- Provide appropriate training to all property owner employees who may come in contact with ACM or suspect ACM during the normal performance of their duties.

5. Outside Contractors

An outside contractor is anyone who is not a property owner employee who performs maintenance within the facility. Outside contractors must comply with the conditions set forth in the O&M Program, and all applicable laws and regulations, and must review this document before beginning work.

E. NOTIFICATION PROCEDURES

Employees who may be exposed to airborne asbestos fibers in the work place must be made aware of that potential exposure. This notification must be made if there is a possibility that normal activities or a foreseeable emergency in the area may cause a release of airborne asbestos fibers above the Permissible Exposure Limit (PEL).

Notification to employees that may be exposed to airborne asbestos fibers requires the following action by the employer:

- If an area is identified that may have airborne asbestos fiber levels exceeding the PEL, standard asbestos hazard warning signs must be displayed;

- Where feasible, labels shall be affixed to installed ACM unless that ACM can be shown not to release airborne fibers above the action level under normal use or in foreseeable emergencies;

- All ACM raw materials, waste and debris, or containers in which these substances are stored, must be labeled; and

- An employer must have a written Hazard Communication Program, which includes Material Safety Data Sheets (OSHA Form 20), training and a list of hazardous chemicals found in the workplace. Asbestos is a hazardous chemical and must be included in the program;

- An employer must have a written Hazard Communication Program, which includes Material Safety Data Sheets (OSHA Form 20), training and a list of hazardous chemicals found in the workplace. Asbestos is a hazardous chemical and must be included in the program;

- Employees who will perform housekeeping activities or other activities in areas, which contain ACM and/or presumed ACM must be informed of the presence and location of ACM and/or presumed ACM in such areas, which may be contracted during such activities.

In addition, the USEPA strongly recommends notifying workers and tenants where ACM is located and how not to disturb it. The property owner should notify building occupants for two reasons: first, building occupants should be informed of any potential hazard in their vicinity; and second, informed persons are less likely to unknowingly disturb the material and release fibers into the air. Methods of notification include written notices, posted signs and informational meetings.

F. EMPLOYEE PROTECTION

1. Worker Training Program

Each in-house maintenance employee who may come into contact with ACM shall participate in a minimum of a two-hour training program annually. The training program shall be presented in a manner that the employee is able to understand and shall include:

- Methods of identifying known and suspect ACM in the building in addition to an overview of the known locations of ACM and suspect ACM;
- The health effects associated with asbestos exposure including the relationship between smoking, asbestos exposure and lung cancer;
- Appropriate federal, state and local regulations and provisions of this O&M Program;
- The type of operations that would result in exposure to asbestos, and methods to minimize exposure including engineering controls, work practices and personal protective equipment;
- Proper response to release episodes; and
- The purpose, use, fitting instructions and limitations of available respirators.

An additional 14-hour training program shall be provided for each in-house maintenance employee whose work requires the repair, removal or disturbance of less than three square or linear feet of ACM (repair, removal, or disturbance of amounts greater than three square or linear feet shall be handled by a professional asbestos abatement contractor). This training program will include more detailed explanations of the topics covered in the two hour training program. It will also cover:

- Respirator assignment and fit testing;
- Handling and decontamination procedures required by this O&M Program;
- Personal Protective Equipment (PPE); and
- Appropriate federal, state, and local regulations.

Training programs shall be designed to meet all applicable local, state and federal regulations.

F. EMPLOYEE PROTECTION - continued

2. Medical Examinations

The AC must provide, at the property owner's expense, a series of on-going medical examinations to all employees who may be exposed to asbestos at or above certain levels during the maintenance and repair operations required by their jobs. The examinations shall occur as: 1) a pre-placement exam; 2) an annual exam; and 3) a termination of employment exam. The purpose of these examinations is to monitor employee health and to determine whether or not the employee can use a negative pressure respirator. The examining physician shall be provided with:

- A copy of 29 Code of Federal Regulations (CFR) 1926.58 with Appendices D, E and I, or other applicable regulations;
- A description of the employee's duties as they relate to the employee's potential exposure to asbestos;
- The employee's representative exposure level or anticipated exposure level;
- A description of any personal protective and respiratory equipment used or to be used; and
- Information from previous medical examinations of the affected employee that is not otherwise available to the examining physician.

All examinations shall include:

- Chest x-rays (posterior-anterior, 14x17 inches) interpreted by a qualified Occupational Health Physician;
- Pulmonary function tests of forced vital capacity (FVC) and forced expiratory volume (FEV) at one second;
- A medical and work history questionnaire with special emphasis on the pulmonary, cardiovascular, and gastrointestinal systems; and
- Examination by a physician.

G. RESPIRATOR PROGRAM

Exposure to airborne asbestos can be minimized through the use of proper respiratory protection. Where respiratory protection is required, the property owner shall institute a respirator program that complies with all applicable local, state and federal regulations. As airborne fiber concentrations increase, so too must the protection factor of the respirator used. This section contains an outline of required levels and types of protection and a description of who can use respirators, fit testing and respirator care. All employees who are expected, as part of their normal duties, to disturb or repair ACM in amounts of less than three square or linear feet shall be issued a respirator. Respirators shall be provided to the employee by the property owner.

1. **Respirator Fit Testing and Assignment**: The consultant shall fit test each employee for a NIOSH approved one-half or full-face respirator, using a qualitative fit test. Once fit has been established, the employee will be assigned that respirator for the employee's exclusive use.

2. **Selection of Respirators:** All respirators must be NIOSH approved and all filter cartridges must have TC Approval Number 21C-xxx (where xxx is a three digit number). Respirators for use under the O&M Program are of two varieties: one-half-face cartridge and full-face cartridge. Normally, one-half-face protection is all that is required, but the following guidelines must be followed based on fiber concentration:

f/cc	Respirator Type
0.01 - 0.05	One-half-face cartridge
0.05 - 0.10	Full-face cartridge

3. **Personnel Approved for Respirator Use:** Persons should not be assigned to tasks requiring the use of respirators unless it has been determined that they are physically able to perform the work and use the equipment. Such determination is made during a medical examination.

   Respirators shall not be worn when conditions prevent a good face seal. Such conditions may include a growth of beard, sideburns, a hard hat that projects under the face piece or protruding eyeglass temple pieces.

4. **Fit Testing:** Respirators issued to employees must exhibit the least possible face leakage. Qualitative fit testing shall be required prior to use of a new respirator and at least every six months thereafter using the OSHA irritant smoke or amyl acetate protocol. Initial testing shall be performed by the AC, but subsequent testing may be performed by any employee trained in fit testing methods by the AC.

G. RESPIRATOR PROGRAM - continued

5. **Respirator Care and Maintenance:** All respirators shall be inspected before and after use. Respirators not routinely used shall be inspected before and after each use and at least monthly to assure that they are in satisfactory working condition. Respirator inspection shall include a check of the respirator seal, the condition of the facepiece, headbands, valves, connecting tube, and filter cartridge.

   Respirators shall be collected, cleaned and disinfected at least weekly, or as frequently as necessary, to insure that proper protection is provided to the worker.

   Respirators shall be stored to protect against dust, sunlight, heat, extreme cold, excessive moisture and damaging chemicals.

   Respirator filter cartridges should be changed after every eight hours of use or when resistance to air flow is detected, whichever comes first. Cartridges shall be disposed of as asbestos waste.

H. ACM SEMI-ANNUAL INSPECTIONS

Each area, which contains known or suspect ACM must be visually inspected by a person or persons designated by the AC every six months. This person shall have completed either a USEPA-approved asbestos course or the 16-hour O&M training course provided by the consultant. The results of this inspection shall be recorded on an Asbestos-Containing Material (ACM) Condition form (Appendix II, Form No. 1). All forms shall be transmitted to the AC within 48 hours of the inspection. The purpose of the inspection is to ensure that ACM condition has not deteriorated significantly during the preceding six-month period. If the condition of any ACM has deteriorated since the past inspection, the AC shall be notified as soon as possible. The AC shall then investigate to determine if remedial action is required to prevent a health hazard.

The individual conducting periodic surveillance must:

- Visually inspect all areas that are identified in the O&M Program document as ACM or assumed ACM.

- Record the date of the surveillance, their name, and any changes in the condition of the materials on the Asbestos-Containing Material Condition form and,

- Submit the Asbestos-Containing Material Condition form to the AC.

The Consultant shall assess the condition of ACM every three years and issue a report of the findings of this inspection. This report shall be kept with the survey report and O&M Program for 130 WEST 30TH STREET.

I. AIR QUALITY MONITORING

The consultant shall conduct air quality monitoring semi-annually, or as required by applicable local, state or federal regulations to document airborne fiber levels within the building. Area sampling shall be used to help determine if ACM in the building is creating a health hazard not evident through visual inspection. As an alternative to semi-annual air monitoring, unless otherwise required by applicable local, state or federal regulations, the consultant can develop an ongoing in-house monitoring program to be conducted by maintenance staff. If such a program is implemented, the consultant would perform air quality monitoring every three years during the condition reinspection.

It is not anticipated that employees will be exposed to asbestos fiber concentrations above the PEL during routine activities. However, personal air samples must be collected daily whenever it is reasonable to anticipate that an employee may be exposed to asbestos fiber concentrations above the Permissible Exposure Limit (PEL) as defined by OSHA Regulations.

Air samples shall be collected and analyzed in accordance with applicable OSHA regulations using the most current National Institute of Occupational Safety and Health (NIOSH) Method 7400. Sample results shall be recorded and transmitted to the AC for permanent retention.

Airborne fiber concentrations found through air sampling require minimum responses in accordance with the table on the following page.

Please note that the current accepted standard for clean (uncontaminated) air is 0.01 f/cc. This level should not be exceeded during normal building operations.

Airborne Fiber Concentration (f/cc)	**Response**
<0.01	Acceptable air level. No response required.
>0.01 and <0.1	Action level for occupied spaces or public common areas. Identify source of problem, collect at least one area air sample in area every day and take action to reduce airborne fiber levels in area. Shut down forced air circulation to the area until remedial action is completed and airborne fiber concentrations return to an acceptable level.
>0.1 f/cc	Evacuate occupants from the contaminated area. All employees shall wear respirators and protective clothing in the contaminated area. Identify boundaries of contamination by air monitoring. Contact the Consultant immediately for advice regarding remedial action.

I. AIR QUALITY MONITORING - continued

Should the airborne fiber level exceed 0.05 f/cc at any time or 0.01 f/cc for a period of several days, contact the consultant to assist in defining the cause of the elevated fiber level and to recommend remedial actions and take other action as required by applicable local, state or federal regulations including, without limitation, establishing a "regulated area", restricting access to and activities in such regulated areas and following other applicable procedures.

The AC shall notify all employees who were involved in ACM-related abatement work or who may have been exposed to airborne fiber levels in excess of the PEL of air sampling results. Such notification is required within 15 working days of receipt of the results and may be made on an individual basis or by posting the results in an appropriate location, accessible to affected employees.

The PEL is defined by OSHA as 0.1 f/cc. While this is the level, which triggers legally required responses, it is the policy and expectation of property owner that no employee shall be exposed to such levels. Maintenance work shall be conducted in a manner, which shall minimize exposure and maintain ambient fiber levels well below the PEL.

J. EQUIPMENT

1. The equipment necessary for implementation of this O&M Program includes:

- High Efficiency Particulate Air (HEPA)-filtered vacuum with extensions;
- Rolls of six mil polyethylene sheeting;
- Six mil polyethylene bags labeled with an asbestos material warning sign;
- NIOSH approved one-half face cartridge respirators with filters approved for asbestos dust;
- Garden sprayer for misting;
- Surfactant;
- Full body disposable protective clothing;
- Caution signs conforming with current OSHA regulations;
- Fully contained glovebags for removal of asbestos-containing pipe covering;
- A personal sampling pump to ascertain fiber levels during maintenance activities; and
- An area sampling pump to ascertain background and work area ambient fiber levels prior to and during maintenance activities and during semi-annual air monitoring.

K. ESTABLISHING APPROPRIATE WORK PRACTICES

The central focus of the O&M Program is to establish appropriate work practices for custodial, maintenance, and construction staffs. The provisions of the O&M Program also extend to any activities by an outside contractor during which ACM might be disturbed.

The work practices outlined in this section are broken down by material application and by the likelihood of ACM disturbance during the project.

Recommended practices and respiratory protection are tailored to the likelihood and severity of ACM disturbance, and the potential for exposure of workers and other building occupants to airborne asbestos.

Special work practices are only required where disturbance of ACM is likely. For example, simply changing light bulbs in fixtures located near ACM would normally create little chance of disturbance. Likewise, work around low friability ACM is not likely to cause fiber release unless ACM is directly manipulated such as by drilling or cutting. However, if in doubt about the possibility of disturbing ACM during maintenance activities, take adequate precautions to minimize or prevent fiber release and building contamination. (See Appendix I Response Action Table)

No work involving the disturbance of ACM or that goes beyond the scope of this plan shall be undertaken without the prior approval of the AC. This type of work generally will be performed by a qualified outside asbestos abatement contractor licensed by the USEPA state, or both, and approved by the AC.

1. Standard Operating Procedures

All ACM-related work by employees and outside contractors who are not asbestos abatement contractors must conform to the procedures set forth in the Program. Prior to any renovation or demolition, the AC will determine if ACM may be disturbed and inform appropriate personnel accordingly. If the composition of a material is not certain, a sample shall be submitted to the Consultant for analysis prior to work.

a. All employees shall be aware of the procedures outlined in the USEPA document *Managing Asbestos In-Place* (a copy of which is provided in Appendix III) and shall have successfully completed the training program provided by the Consultant.

b. All employees shall be made aware of the content of the OSHA standard, including appendices and shall be provided a copy of the standard appendices upon request.

c. ACM shall not be handled or disturbed except when necessary.

K. ESTABLISHING APPROPRIATE WORK PRACTICES - continued

d. If the presence of ACM is suspected but cannot be adequately documented prior to the start of work, the work shall be conducted as if the suspect materials contain asbestos.

e. Employees shall consult with the AC prior to commencing any work in which it appears that ACM may be disturbed.

f. In so far as practical, ACM shall be handled, removed, cut, stored or otherwise worked in a wet state sufficient to prevent the emission of airborne asbestos fibers. If the usefulness of any materials or necessary equipment will be diminished by such wetting, the AC shall be notified and the work shall not proceed without AC approval.

g. There shall be no dry sweeping or vacuuming of ACM except with a HEPA-vacuum.

All surfaces shall be maintained as free as practicable of ACM waste, debris and dust. Practices set forth in applicable local, state and federal regulations shall be followed.

h. Only NIOSH-approved respirators for asbestos dust shall be worn during ACM work.

i. A copy of each document or record generated in connection with this program shall be provided to the AC.

2. Vinyl Asbestos Flooring

Vinyl asbestos flooring, notably tile, is typically a low friability material. Under normal conditions of use, asbestos fibers are bound into the vinyl or resinous matrix of the material and pose little or no hazard to building occupants. Stripping of finishes shall be conducted using wet methods and low abrasion pads at speeds lower than 300 rpm. Burnishing or dry buffing may be performed only on asbestos-containing flooring that has sufficient finish so that the pad cannot contact the ACM. Mechanical disturbance of these materials, however, should be avoided as it may cause significant damage and lead to airborne fiber release. Maintenance or building engineering staff should not repair or remove these materials. Sanding of asbestos-containing flooring is prohibited.

3. Small Disturbances

If the amount to be removed is three square feet or less, the project should be considered a small-scale disturbance. The following procedures should be followed:

K. ESTABLISHING APPROPRIATE WORK PRACTICES - continued

a. Submit Asbestos-Containing Material Condition form number one (Appendix III) to the AC prior to commencement of work. The AC should make an initial site visit.

b. The work should either be scheduled after normal working hours, or access to the work area should be controlled: doors should be locked and signs posted to prevent unauthorized persons from entering the work area. It should be noted that emergency exits must remain in operation.

c. Shut down and secure the heating, ventilation and air conditioning (HVAC) system.

d. Trained maintenance personnel should wear, at a minimum, air purifying respirators with HEPA cartridges and appropriate personal protective clothing.

e. A selected worker must wear a personal sampling pump as required by OSHA unless previous experience with the same ACM and similar operations indicate that fiber levels are likely to be less that PEL.

f. Check all equipment, tools, supplies, etc., necessary to perform the job and place in work area:

- A five-gallon pail containing water adjacent to the work area;
- Several clean rags and paper towels in the work area;
- One to two rolls of duct tape adjacent to the work area;
- Asbestos disposal bags (labeled, 6 mil thick) adjacent to the work area; and
- All necessary equipment, hand tools, and repair materials in the work area.

g. Place a portable enclosure or glove bag over affected flooring, hand tools, and repair materials. Adjust this "mini-enclosure" and tape bottom of enclosure or bag onto floor with duct tape to form an airtight seal.

h. Attach HEPA vacuum to enclosure or bag with duct tape.

K. ESTABLISHING APPROPRIATE WORK PRACTICES - continued

i. Mist affected tile or flooring with amended water. Perform any scraping, drilling, abrading or other asbestos-disturbing activities in a manner, which minimizes the dispersal of asbestos fibers into the air.

j. Use the HEPA vacuum to provide adequate local exhaust to capture fibers produced by any of the cutting, drilling, abrading, etc., operations before removing enclosure or glove bag.

k. Seal the edges of any ACM exposed by the repair or removal operations with a coat of a clear "lock-down" encapsulant. Allow the encapsulant to dry for one-half hour, or as instructions indicate.

l. HEPA vacuum any loose debris on the floor prior to removal of the enclosure or glove bag. Wet wipe tools, remove the tools from the mini-enclosure, place in water and wash thoroughly. Dry tools with clean towels and remove from work area. Place rags, towels, and contaminated water in asbestos waste disposal bags. Thoroughly clean and remove the enclosure or dispose of the glovebag in asbestos disposal bag. Remove these items from the work area.

m. HEPA vacuum and remove personal protective equipment (PPE), turning it inside out as it is removed it and place it in an asbestos disposal bag. Wash face, neck, and hands and place towels into asbestos disposal bag. Remove respirator, taping the outside vents of the filter cartridge with duct tape. Wet wipe the respirator and place in storage bag.

n. Visually check the room for any missed debris, etc., and clean (if applicable) with HEPA vacuum wet wipe methods, or both.

o. Re-activate the HVAC system. Following this step, re-occupancy of the room is allowed.

4. Other ACM

Other ACM include brick flooring, slate flooring, and roofing materials. Disturbance of these materials should be avoided. Cutting, drilling, grinding, abrading, sanding or removal of this ACM must be performed by trained personnel or an abatement contractor.

5. Glovebag Procedures

Thoroughly wet the insulation with amended water or an encapsulant and allow it to soak in. Wet the insulation adequately to penetrate and soak the material through to the substrate.

K. ESTABLISHING APPROPRIATE WORK PRACTICES - continued

After the material is saturated, remove it using a glovebag enclosure according to the following procedure:

a. Check pipe where the work will be performed. Wrap damaged (broken lagging, hanging, etc.), pipe in six mil thick plastic and "candy-stripe" it with duct tape. Place one layer of duct tape around the undamaged pipe at each end where the glovebag will be attached.

b. Slit the top of the glovebag open (if necessary) and cut down the sides to accommodate the size of the pipe (about two inches longer than the pipe diameter).

c. Place the necessary tools into the pouch located inside the glovebag. These tools will usually include a bone saw, utility knife, rags, a scrub brush, wire cutters, tin snips and pre-wetted cloth.

d. Place one strip of duct tape along the edge of the open top slit of the glovebag for reinforcement.

e. Place the glovebag around the section of pipe to be worked on and staple the top together through the reinforcing duct tape. Next, duct tape the ends of the glovebag to the pipe itself, where it was previously covered with plastic or duct tape.

f. Use a smoke tube and aspirator bulb to test the seal. Place the tube into the water sleeve (two-inch opening to glovebag) squeezing the bulb and filling the bag with visible smoke. Remove the smoke tube and twist the water sleeve closed. While holding the water sleeve tightly, gently squeeze the glovebag and look for smoke leaking out, (especially at the top and ends of the glovebag). If leaks are found, tape the leak closed with duct tape and re-test.

g. Insert the wand from the garden sprayer through the water sleeve. Duct tape the water sleeve tightly around the wand to prevent leakage.

h. One person places their hands into the long-sleeved gloves while a second person directs the garden sprayer at the work.

i. Use the bone saw, if required, to cut the insulation at each end of the section to be removed. A bone saw is a serrated heavy gauge wire with ring-type handles at each end. Throughout this process, spray amended water or removal encapsulant on the cutting area to keep dust to a minimum.

K. ESTABLISHING APPROPRIATE WORK PRACTICES - continued

j. Remove the insulation using putty knives or other tools. Place the pieces of insulation in the bottom of the glovebag without dropping them.

k. Rinse all tools with water inside the bag and place them back into the pouch.

l. Using the scrub brush, rags and water, scrub and wipe down the exposed pipe.

m. Remove the water wand from the water sleeve and attach the small nozzle from the HEPA-filtered vacuum. Turn on the vacuum only briefly to collapse the bag.

n. Remove the vacuum nozzle, twist the water sleeve closed and seal with duct tape.

o. From outside the bag, pull the tool pouch away from the bag. Place duct tape over the twisted portion and then cut the tool bag from the glovebag, cutting through the twisted or taped section. Contaminated tools may then be placed directly into the next glovebag without cleaning. Alternatively, the tool pouch with the tools can be placed in a bucket of water, opened underwater, and the tools cleaned and dried. Discard the rags and scrub brush as asbestos waste. If more than one adjacent section of pipe is to be removed, the glovebag may be loosened at each end and slid along the pipe to the next section. In this case, the tools may remain in the bag for continued use.

p. With removed insulation in the bottom of the bag, twist the bag several times and tape it to keep the material in the bottom during removal of the glove-bag from the pipe.

q. Slip a six mil thick disposal bag over the glovebag (still attached to the pipe). Remove the tape or cut the bag and open the top of the glovebag and fold it down into the disposal bag.

r. Clean all surfaces in the work area using disposable cloths wetted with water with surfactant or removal encapsulant added. When these surfaces have dried, clean them with a HEPA-filtered vacuum. Material adhered to a surface with removal encapsulant may require the application of additional removal encapsulant to facilitate cleaning.

s. Seal the exposed ends of the remaining pipe insulation with encapsulant following the manufacturer's instructions.

t. Remove disposable suits and place these into a waste bag with other debris.

K. ESTABLISHING APPROPRIATE WORK PRACTICES - continued

u. Collapse the bag with a HEPA vacuum, twist the top of the bag, seal with at least three wraps of duct tape, fold over and seal again with at least three wraps of duct tape.

6. Repair of Damaged Thermal System Insulation

This section applies to the repair of damaged insulation on piping, boilers and equipment on which asbestos-containing insulation is to remain.

Products which may be used for these activities are:

- non-fibrous insulating cement: job mixed insulating plaster manufactured for use on plumbing equipment;
- waterproof cement: premixed or job mixed cement manufactured for coating of thermal insulation lagging;
- non-woven fibrous glass mat: felt approximately 3/32" thick fabricated from glass fibers;
- open weave glass fiber mat: cloth with approximately 1/4" openings in weave, fabricated from glass fibers twisted or braided into strands approximately 1/128" in diameter; and
- bridging-type encapsulant.

The following paragraphs address each type of ACM which may need to be repaired:

a. Piping:

1. Remove any loose material with a HEPA vacuum. No existing jacket material should be removed.
2. Fill holes with non-fibrous insulating cement and cover damaged areas with a nonwoven fibrous glass mat completely saturated with bridging type encapsulant.
3. Wrap open joints with nonwoven fibrous glass mat embedded in bridging type encapsulant.

K. ESTABLISHING APPROPRIATE WORK PRACTICES - continued

4. Smooth mat to a wrinkle free condition. Allow to dry and coat the entire surface of the mat with an additional coat of bridging type encapsulant and brush to a smooth uniform appearance.

b. Fittings:

1. Patch damaged fittings as required, using non-fibrous insulating cement.

2. Smooth insulation to a uniform appearance, continuous with and not overlapping adjacent straight insulation runs.

3. Cover the entire surface of the fitting with nonwoven fibrous glass mat embedded in bridging type encapsulant.

4. Stretch the fibrous mat to conform to the shape of the fitting and smooth to a uniform appearance without wrinkles.

5. Overlap jackets of adjacent straight insulation sections by 3". Allow to dry and coat entire surface of mat with bridging type encapsulant and brush to a smooth-finished appearance.

c. Equipment Lagging:

1. Fill damaged portion of lagging as required with non-fibrous insulating cement and cover with nonwoven fibrous glass mat completely embedded in bridging type encapsulant.

2. Coat the area of repair and six inches on all sides with bridging type encapsulant, brush to a uniform appearance.

3. Completely coat laggings which do not have a canvas jacket with two coats of bridging type encapsulant.

d. Boiler and Smoke Hood Breaching Lagging:

1. Fill damaged portions of lagging, as required, with non-fibrous insulating cement.

2. Coat the entire surface of the lagging with 1/4" minimum thickness of non-fibrous insulating cement reinforced with open weave fiber mat.

K. ESTABLISHING APPROPRIATE WORK PRACTICES - continued

3. Trowel surface to a smooth finish.

e. Labeling:

1. Label all asbestos containing pipe insulation, fitting insulation lagging, etc. in unoccupied areas with a 3"x5" yellow sticker containing the words: CAUTION - CONTAINS ASBESTOS FIBERS - AVOID CREATING DUST - CANCER AND LUNG DISEASE HAZARD."

2. Apply a minimum of two labels per side at a maximum of five feet apart on boilers, breaching and equipment and a minimum of one per section at a maximum of eight feet apart on pipe runs.

3. Apply labels to both sides of pipe runs which are accessible from both sides.

4. In occupied areas, provide labels shaped like stop signs approximately 3" across with text reading: "STOP - Before Doing Work In This Area See Building Engineer."

L. EMERGENCY PROCEDURES

In the event of accidental damage to ACM due to roof leaks, broken water lines, improper maintenance, fire or any other cause, maintenance personnel shall:

- Notify the AC;
- Shut down the HVAC system and seal all vents in the area of the release;
- Isolate the area by closing and locking doors and sealing with polyethylene sheeting and duct tape;
- In the event that significant damage (greater than three square or linear feet) has occurred, do not proceed with any clean-up until the consultant has been notified and has approved any action to be taken;
- Following instruction from the consultant or in the event of a small disturbance (less than three square or linear feet), only approved maintenance personnel should be allowed to enter the area. A log must be kept of all persons involved in the event;
- All maintenance personnel must wear NIOSH-approved one-half-face cartridge respirators with filters approved for asbestos dust and full-body disposable protective clothing when handling ACM. All personnel using respirators must be fit tested, OSHA qualified and trained;
- Using a garden sprayer containing a mixture of water and surfactant, thoroughly saturate the damaged ACM;
- If clean-up is required due to water damage, the wet ACM should not be allowed to dry;
- Wet and remove larger pieces of ACM by hand and place them in a six mil thick labeled bag. HEPA vacuum the remainder;
- HEPA vacuum or wet mop, whichever is appropriate, the entire area;
- HEPA vacuum protective clothing, then remove and dispose of it as contaminated waste;
- Perform air monitoring on all projects related to ACM to ensure proper clean-up. Clearance samples should be analyzed by the consultant using Transmission Electron Microscopy; and
- Respirators must be worn in the work area until TEM results indicate acceptable airborne fiber levels. At this time, barriers may be removed and HVAC systems reactivated.

M. DISPOSAL OF ASBESTOS MATERIAL

Unless otherwise indicated, or required by applicable local, state or federal regulations, disposal of asbestos-containing materials shall be as follows:

- All friable ACM must be adequately wetted and placed in a sealed impermeable container. The container must be a sturdy (i.e. polyethylene) bag or an airtight drum;

- All contaminated suits and used respirator cartridges should be wetted and disposed of in labeled plastic bags;

- Containers used for the disposal of ACM shall be labeled;

- Sealed impermeable containers from the asbestos work area may be placed in specially designated areas for temporary storage until a full shipment is accumulated. Otherwise, all containers shall be sent directly to the waste disposal site at the completion of the job. The temporary storage area shall be properly roped off and posted with asbestos warning signs. All containers shall be sealed at the close of active work periods;

- Asbestos waste generated from asbestos work shall be disposed of in accordance with all applicable regulations. HEPA vacuum waste may be held until a full shipment has accumulated for disposal;

- All ACM must be properly sealed and shipped via a duly licensed and insured solid waste hauler, in impermeable containers;

- All asbestos shall be properly disposed of at a landfill approved for asbestos disposal with the disposer and the hauler prior to shipment. Make advance inquiry regarding specific procedures required by such parties; and

- A receipted copy of the Waste Origin - Waste Disposal form for the shipment shall be kept with other documents relating to the asbestos work.

N. RECORD KEEPING

The AC shall maintain the following documents as part of the O&M Program, which will be retained in the administrative office of 130 West 30th Street:

- Medical exam records, if required, (in accordance with 29 CFR 1910.1001(m)(3) and 1926.58(n)(3) or other applicable OSHA regulations) for all employees engaged in asbestos work or who may have been exposed to asbestos fibers in excess of the Action Level of .01 f/cc at the facility;

- detailed written description of each preventive measure or response action, including methods used, the location where the measure was taken, reasons for selecting the measure or action, start and completion dates of the work, names and addresses of all contractors involved, their State or USEPA accreditation numbers, and if ACM is removed, the name and location of the storage or disposal site of the ACM;

- The name and signature of any person collecting any air sample required to be collected at the completion of certain response actions, the locations where samples were collected, date of collection, the name and address of the laboratory analyzing the samples, the date of analysis, the results of the analysis, the method of analysis, the name and signature of the person performing the analysis, and a statement that the laboratory meets the requirements of all appropriate federal, state and local regulations;

- For each person required to be trained, the AC shall provide the person's name and job title, the date training was completed by that person, the location of the training and the number of hours completed in such training;

- For each time that periodic surveillance is performed, the name of each person performing the surveillance, the date of the surveillance and any changes in the conditions of the materials shall be recorded;

- For each time that cleaning is performed, the name of each person performing the cleaning, the date of such cleaning, the locations cleaned and the methods used to perform such cleaning shall be recorded;

- For each time that operations and maintenance activities are performed, the AC shall record the name of each person performing the activity, the beginning and completion dates of the activity, the locations where such activity occurred, a description of the activity including preventive measures used, and if ACM is removed, the name and location of the storage or disposal site of the ACM;

N. RECORD KEEPING - continued

- For each time that major asbestos activity is performed, the name and signature, state of accreditation, and if applicable, the accreditation number of each person performing the activity, the beginning and completion dates of this activity, the locations where such activity occurred, a description of the activity including preventive measures used, and if ACM is removed, the name and location of the storage or disposal site of the ACM shall be provided.

- For each fiber release episode, the date and location of the episode, the method of repair, preventive measures or response actions taken, the name of each person performing the work, and if ACM is removed, the name and location of the storage or disposal site of the ACM;

- For each fiber release episode, copies of each document and record shall be maintained for at least 30 years. These copies shall be retained even if the facility is sold;

- All Waste Origin - Waste Disposal forms for the disposal of asbestos material;

- All documents relating to the HEPA-vacuum, HEPA-vacuum filter replacement dates, and HEPA-vacuum waste disposal dates;

- All correspondence regarding ACM;

- All correspondence with any federal, state, or local agencies regarding asbestos; and

- All other documents and records relating to asbestos as required under applicable local, state and federal regulations.

Records shall be made available to appropriate OSHA representatives in accordance with 29 CFR 1910.1001 (m)(5) and 1926.58 (n)(5) or other applicable federal, state, or local laws. Sampling results and medical records shall be made available to appropriate affected employees, former employees and designated representatives in accordance with 29 CFR 1910.1001 (m)(5) and 1926.58 (n)(5) or other applicable federal, state, or local laws.

APPENDIX I

Summary of Special Practices for Maintenance Work
at:

130 West 30th Street

Response Action Table

	Contact Very Unlikely	Accidental Disturbance Possible	Small Disturbance Intended or Likely
Approval needed	No	Yes	Yes
Special scheduling or access control	No	Yes	Yes
Supervision needed	No	Initial	Yes
HVAC system modification	None	If Possible	Shut Down
Containment	None	Drop Cloths	Complete
Respirator protection	Available	Yes	Yes
Protective clothing	None	Yes	Yes
Use of wet methods	No	As Needed	Yes
Use of HEPA vacuum	Available	Yes	Yes
Personal decontamination	No	Dry	Wet

APPENDIX II - ACM Forms

Form No. 1. Asbestos-Containing Material (ACM) Condition

for:

130 West 30th Street

Date: Time: Inspector:
Location or Area:

1. Did you perform the last visual inspection in this area?.....yes no

2. Are you familiar with the locations and prior condition of ACM in the area which this inspection covers? .....yes no

3. Have your received training in the purpose of this inspection, the health hazards associated with asbestos exposure, and work practices to protect yourself against exposure to airborne asbestos including use of air-purifying respirators and the use of this form? .....yes no

If you are not familiar with the locations of ACM, safe work practices, or the use of this form, contact the AC and do not continue.

4. Is the proper Notice to Employees Form in place? .....yes no

5. Evaluate the physical condition of ACM in this area. Evaluate each of the following criteria by checking the appropriate statement:

a.	Material Condition	No Damage Moderate (Small Area) Severe
b.	Water Damage	None Minor Moderate/Severe
c.	Exposed Surface Area	None 10% or less Greater than 10%

APPENDIX II - continued

d.	Accessibility	Not Accessible Rarely Accessed Accessible
e.	Activity/Movement	None/Low Moderate High
f.	Air Plenum/Direct Air Stream	Present Not Present
g.	Friability	Low Moderate High

6. Has the condition of any ACM within the area of this inspection deteriorated since the last inspection?..... .....Yes no

If yes, describe:

Location: Extent and Probable Cause:

7. Is there any damaged ACM present that was reported previously?

If yes, describe:

Location: Extent and Probable Cause:

8. Is it possible or probable that unprotected persons may be exposed to asbestos due to the conditions described in items 4-7, above? ..... yes no

If yes, verbally notify the Asbestos Coordinator of the conditions. Check here if you verbally notified someone of potentially dangerous conditions and give their name and the date and time of notification:

Name:
Date: Time:

APPENDIX II - continued

9. Check the appropriate spaces below (check all that apply):

No change in conditions
Conditions have deteriorated
Personnel may be exposed to asbestos
Repair or removal may be required
Recommend IMMEDIATE investigation
Minor repairs are necessary
Posting missing

Inspector's Signature:
Date:

FOR USE BY ASBESTOS COORDINATOR ONLY:

Received ACM Condition Form
(Date and Time)

Action:

None Required
In-House Clean Up. Completed
(Date and Time)
Evacuation of area
Outside Contractor Clean Up. Completed
(Date and Time)

Contacted:
Visited Site:
Completed Recommendation:
Action Required:
Other:

APPENDIX II - continued

Form No. 2. Job Notification Form

Job Location Floor

Area and Equipment

Description of Project

Total linear feet of pipe involved (if pipe):

Pipe size:

Total square feet (if other material or equipment):

Type of equipment or material:

Area dimensions:

Start date: Completion date:

Methods to control emissions:

Name of monitoring lab:

Anticipated disposal site:

Supervisor in charge of job:

Name: Phone Number:

Contractor:
Address:
City: State: Zip Code:

APPENDIX II - continued

Form No. 3. Outside Contractor Statement

Outside Contractor Statement

Name: Date:

Company Name:
Address:
City: State: Zip Code:

Type of Business:

Location of contract work:

I have read Section B of the O&M Program regarding asbestos-containing materials (ACM). I acknowledge the location of ACM as identified in Section C and agree to comply with all OSHA requirements and the procedures outlined in the Operations and Maintenance Program.

Corporate Officer or Principal:

(signature)

(name)

(date)

Supervisor or Foreman:

(signature)

(name)

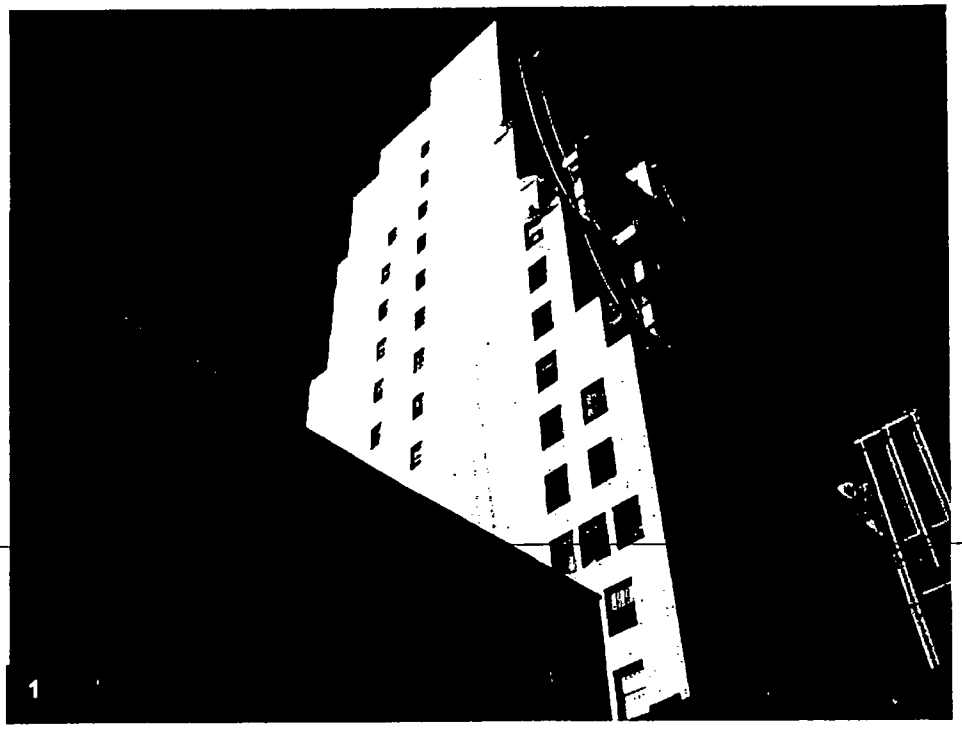
(date)

Employees performing work at site:
(duplicate as necessary for additional employees)

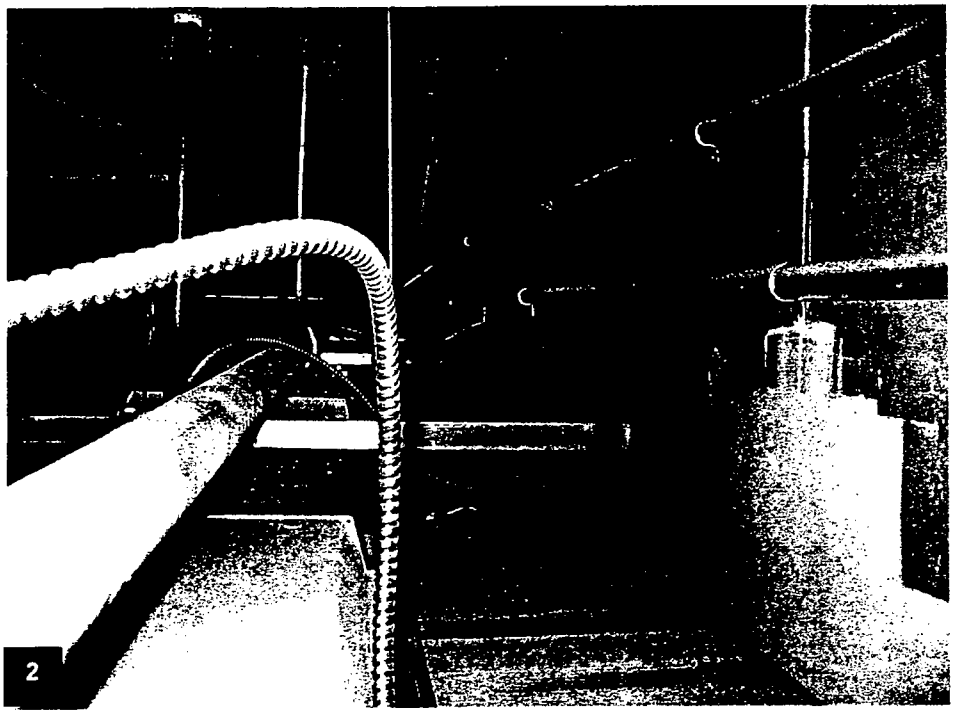
(signature)

(name)

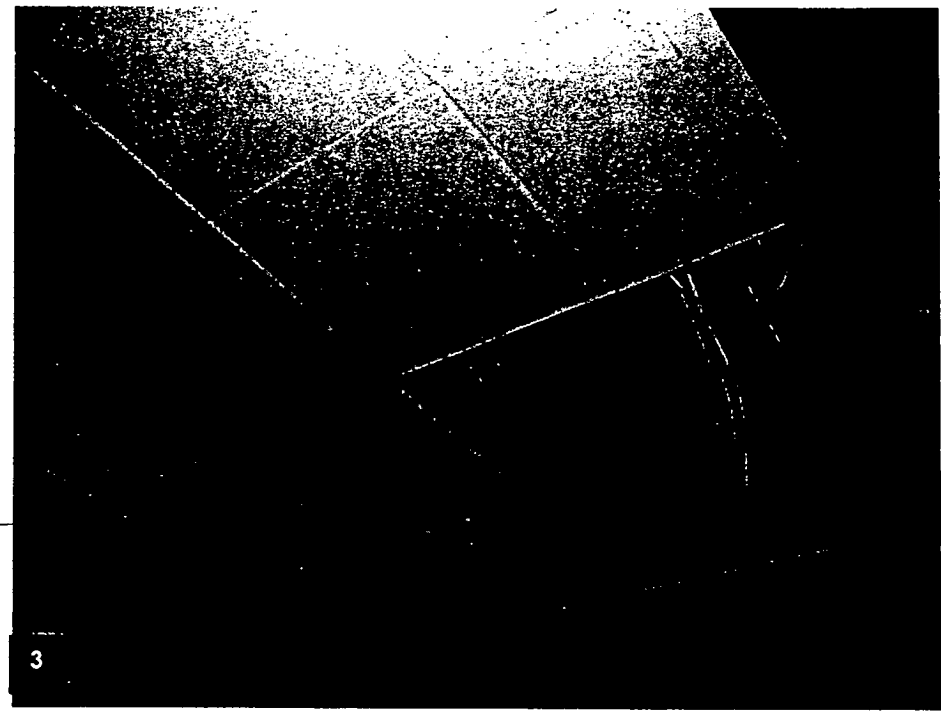
(date)



Upper Facade of Subject



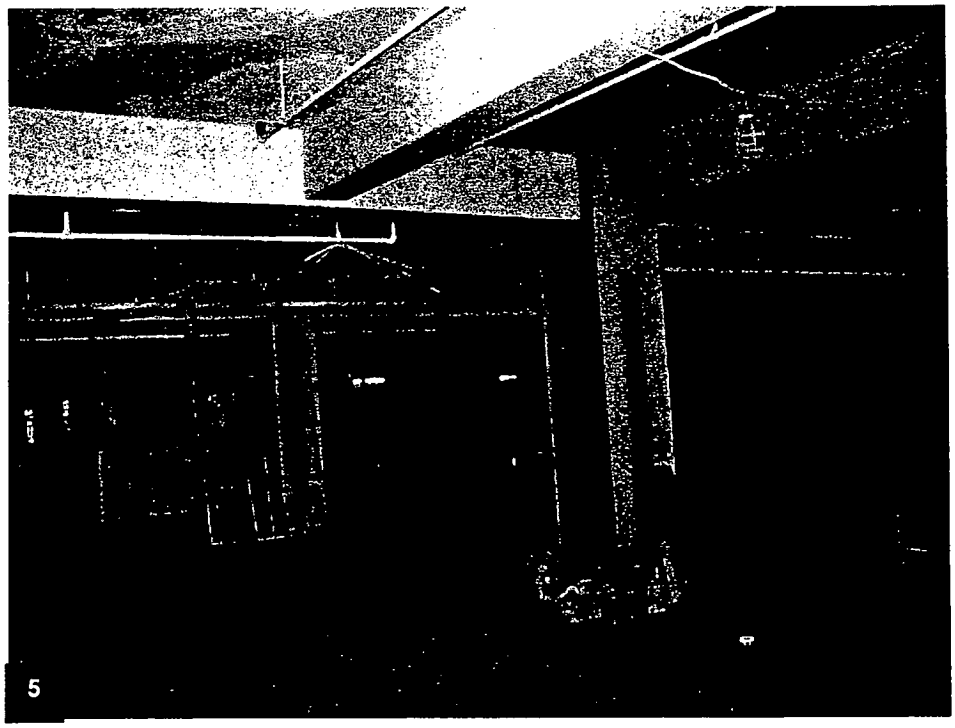
Typical View Above Suspended Ceiling



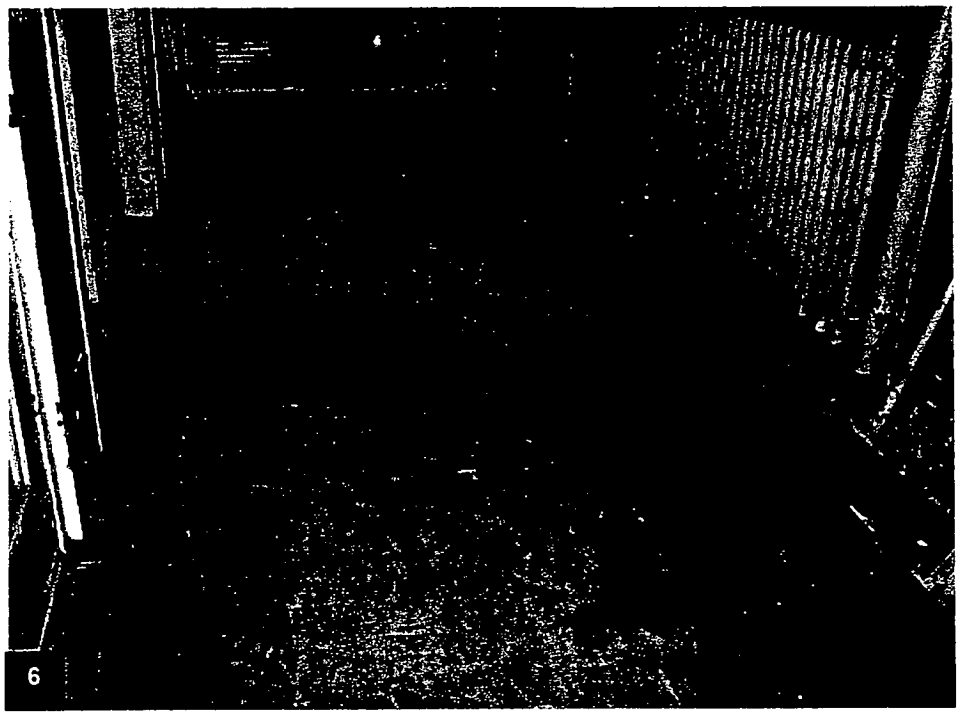
Splined 1'x1' Acoustical Ceiling Tile



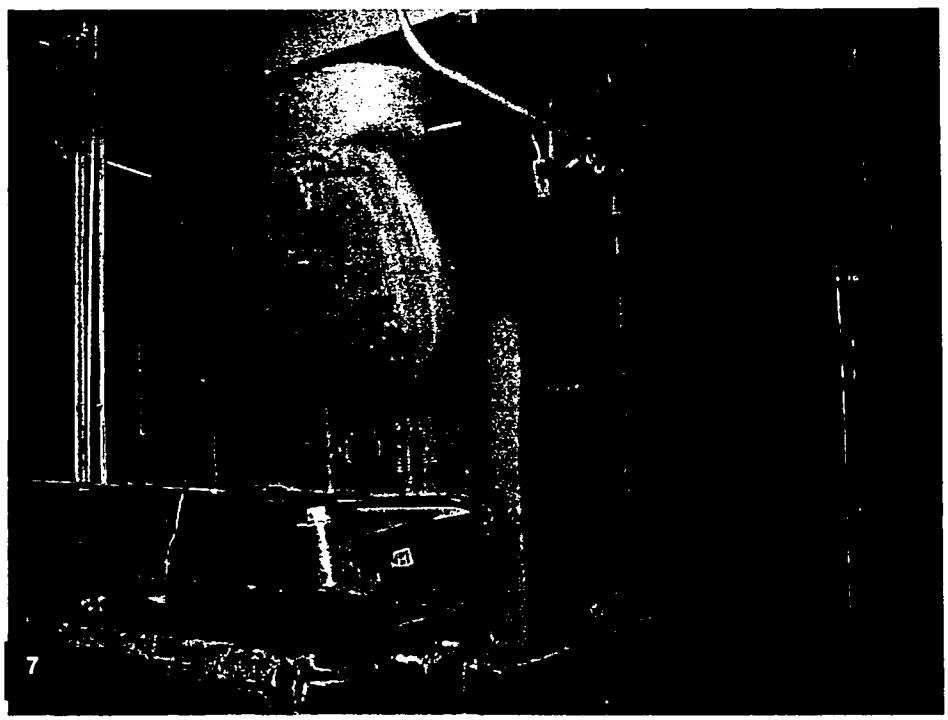
Suspect Asbestos-Containing Pipe Insulation In Wet Column by Bathrooms



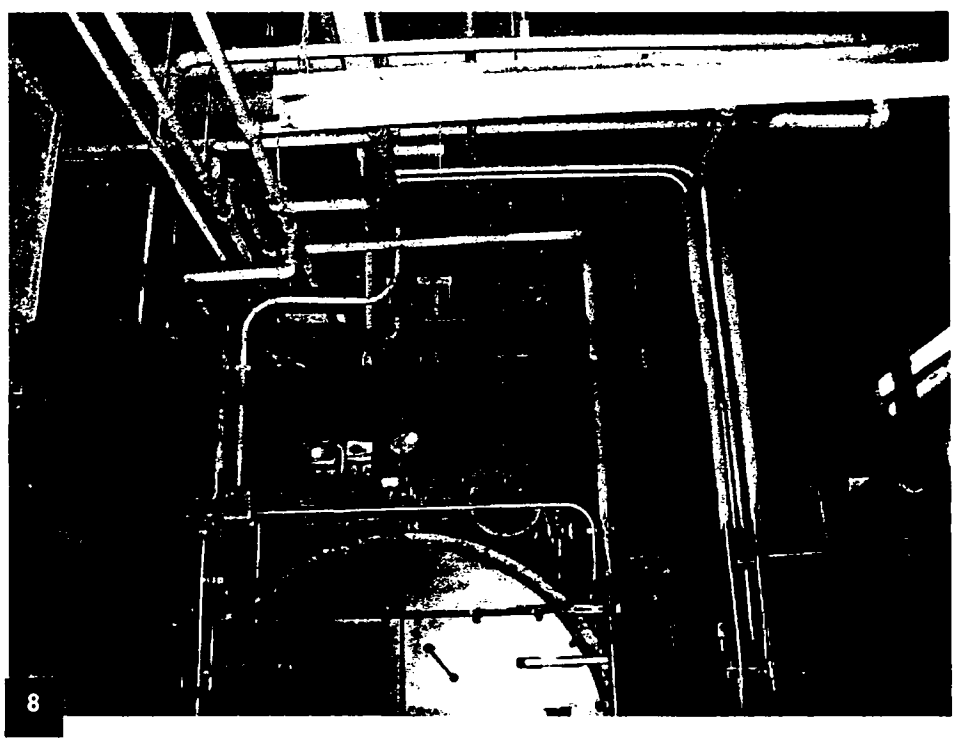
Typical Tenant Space



9"x9" Resilient Floor Tile in Poor Condition in the Service Lobby



Abandoned Boiler With Friable Suspect ACM



Boiler Flue With Suspect ACM

Charles E. Montgomery, CEM, Senior Project Manager

Technical Experience

Phase I Environmental Site Assessments, Lead and Asbestos Surveys, ionizing and non-ionizing radiation surveys. On-site investigations, historical record research, governmental file reviews, and asbestos surveys and quantity take-offs, and asbestos abatement management.

Experience Summary

Twelve years experience in the environmental field with experience throughout the United States, including Asbestos and Lead Paint Surveys, and Underground Storage Tanks and Phase I and Phase II Assessments. Senior Project manager and advisor to Phase I technical staff.

Credentials

- B.A., Environmental Science – State University of New York, Purchase, New York;
- Certificate in Environmental Management – State University of New York, Purchase, New York;
- Air Photo Interpretation – Cornell Cooperative Extension;
- Surface/Groundwater and Soil Field Sampling – Rutgers University, Cooks College, School of Continuing Education; and,
- Phase I Environmental Assessments – NYU School of Continuing Education.

Certifications

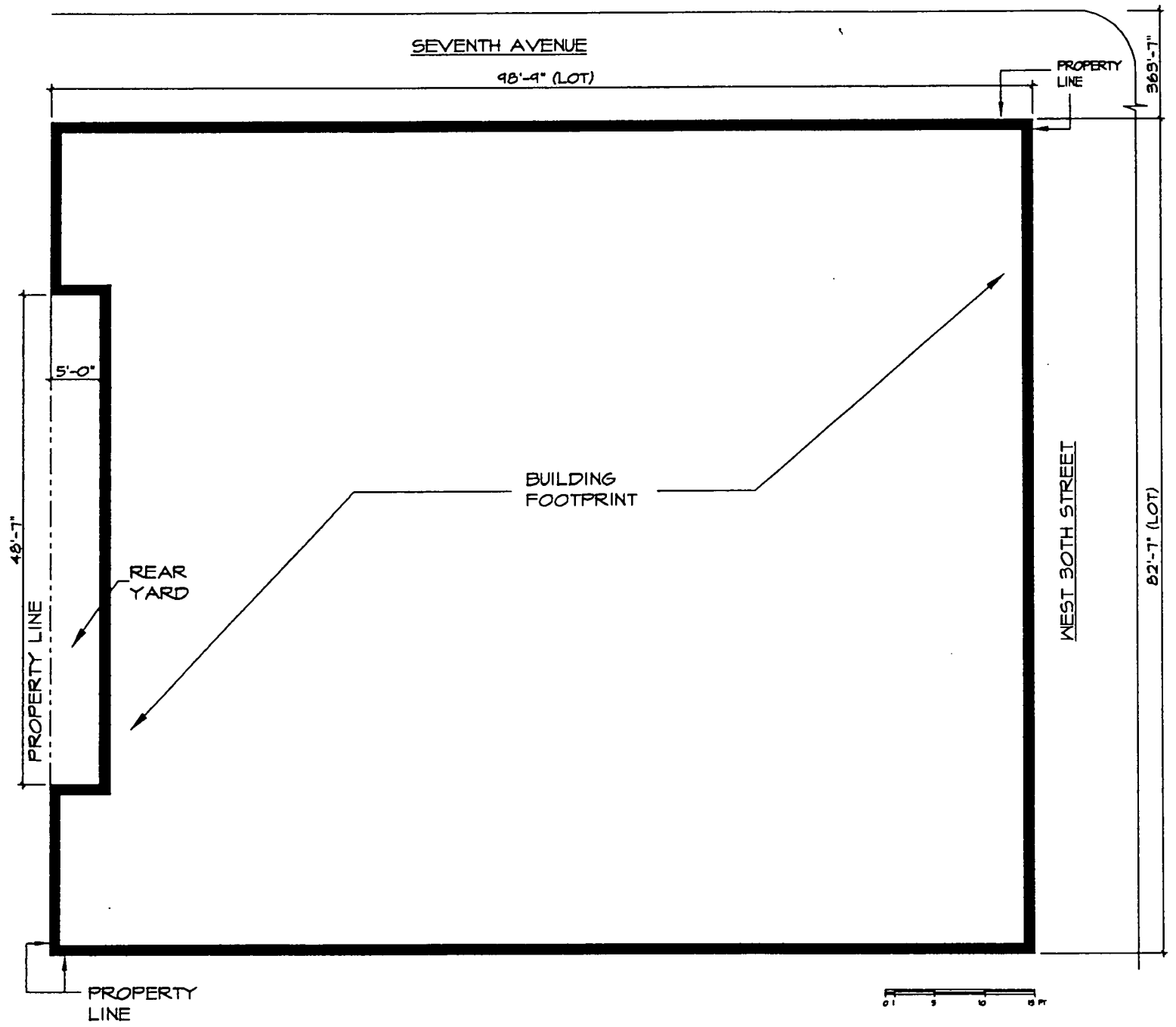
- Licensed NYC Asbestos Investigator
- USEPA Certified Lead Paint Inspector
- USEPA certified Lead Risk Assessor;
- Accredited AHERA Asbestos Inspector;
- Accredited AHERA Asbestos Management Planner
- Nevada Certified Environmental Manager No. 1623, State of Nevada;
- NYSDOL – Certified Asbestos Project Monitor;
- NIOSH 582 Equivalency for Sampling and Evaluating Airborne Asbestos;
- RMD's LPA-1 XRF Radiation Training
- NYSDOL – Recognized Radiation Safety Officer;
- Certified NJDEPE UST Inspector;
- 40-hour OSHA Hazardous Material Handlers Certification.
- State of Michigan Certified Asbestos Inspector; and,
- State of Michigan Certified Asbestos Site Supervisor

Associations/Affiliations

- New York Academy of Sciences
- Environmental Information Association

Key Projects

- **Woolworth Building, New York, NY** – Phase I Environmental Site Assessment
- **Consolidated Edison** – consultant for asbestos abatements of various power plants in New York City
- **Empire State Building, New York, NY** – Phase I Environmental Site Assessment
- **Penta Hotel, New York City** – Asbestos Survey, Phase I Environmental Site Assessment
- **Archdiocese of New York** – consultant for asbestos abatement of schools
- **Wolfchase Galleria, Memphis, TN** – Phase I Environmental Site Assessment
- **W.R. Grace Building, New York, NY** – Phase I Environmental Site Assessment
- **Fountain Park, Dallas, TX** – Phase I Environmental Site Assessment of a premier office building in downtown
- **Givaudan-Roure, Clifton, NJ** - Phase I Environmental Site Assessment of a Former Chemical Production Facility
- **The International Design Center of New York** – Phase I Environmental Site Assessment of a 1,000,000 SF office furniture warehouse

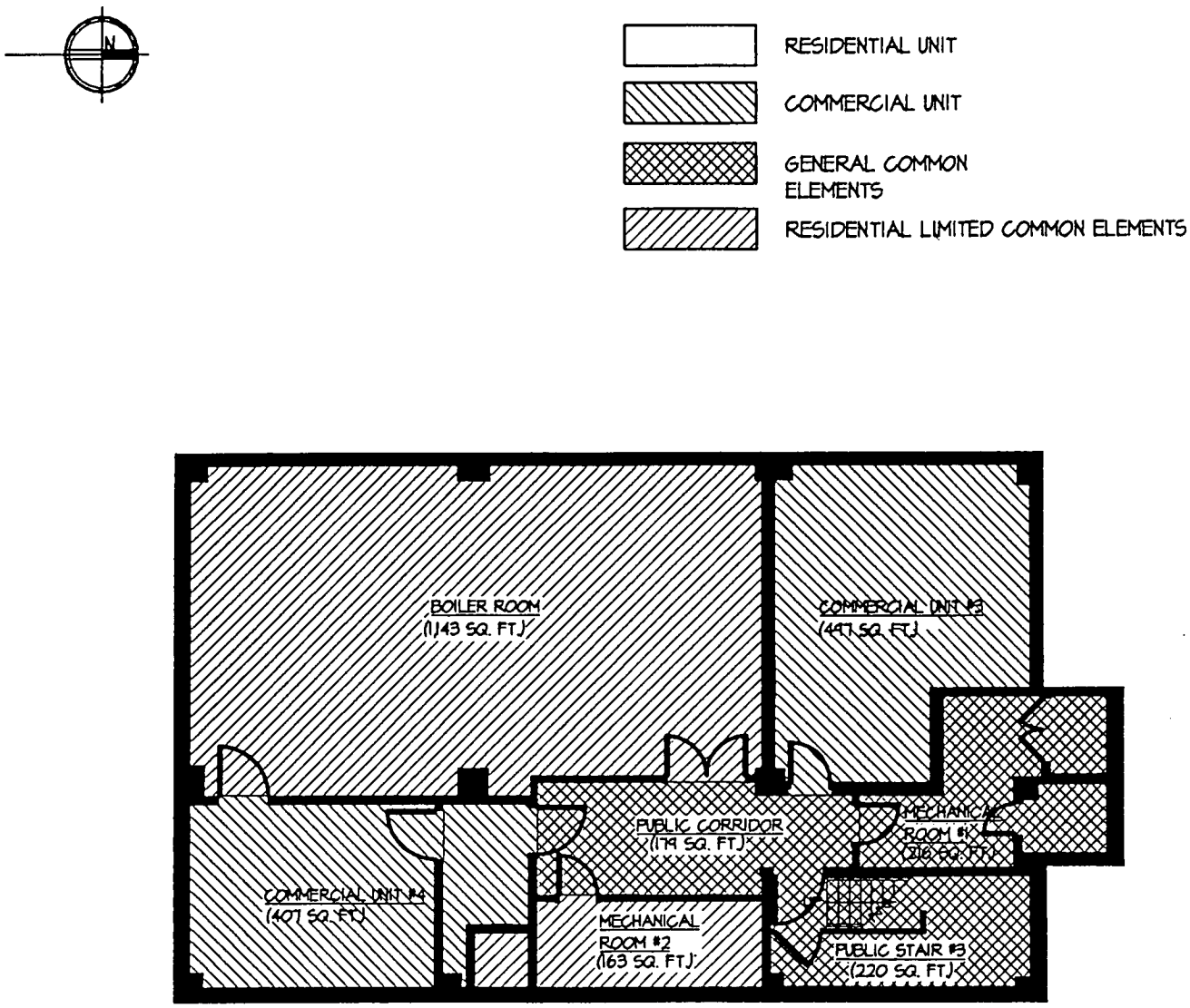


PLOT PLAN

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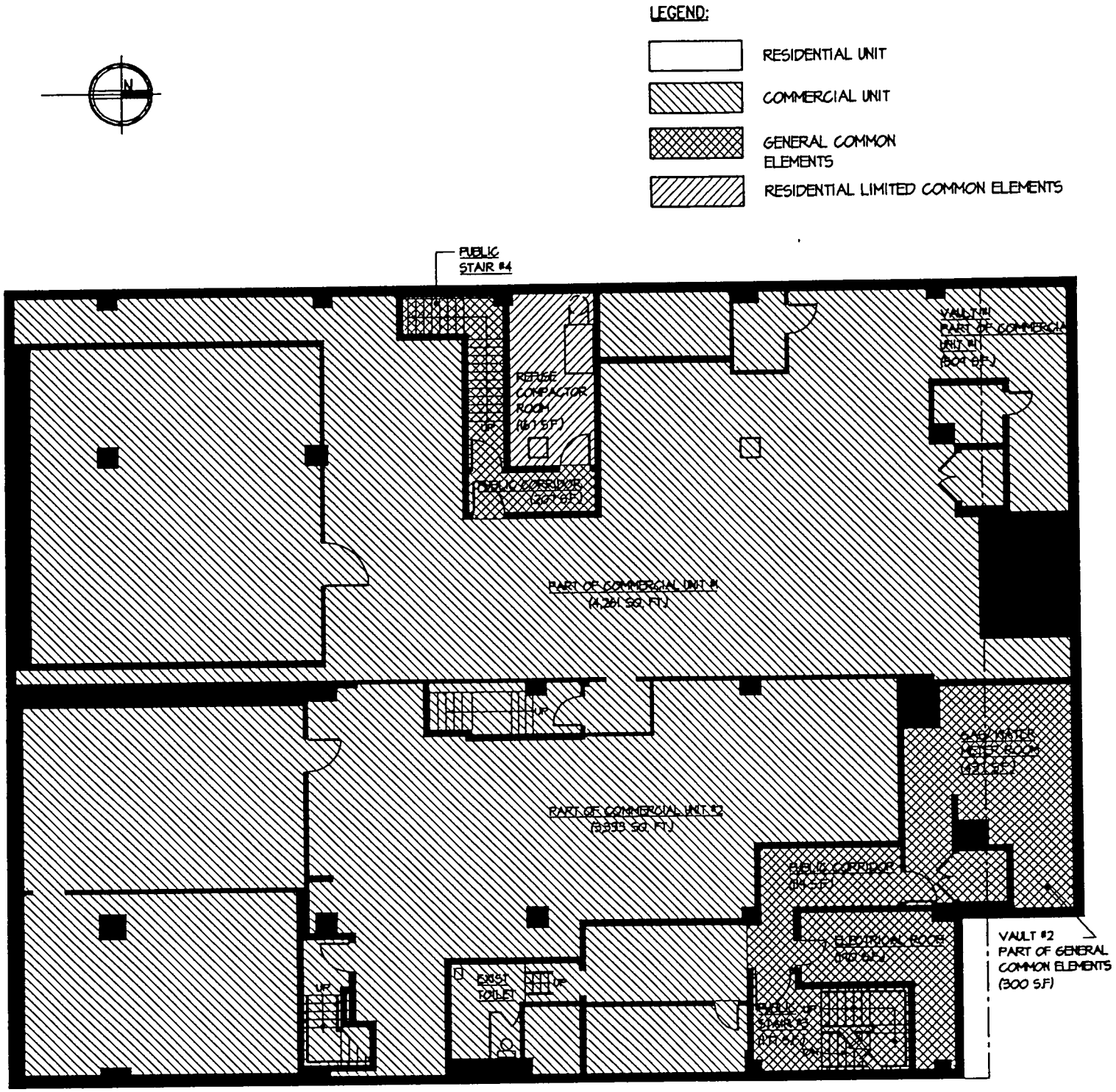
130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK



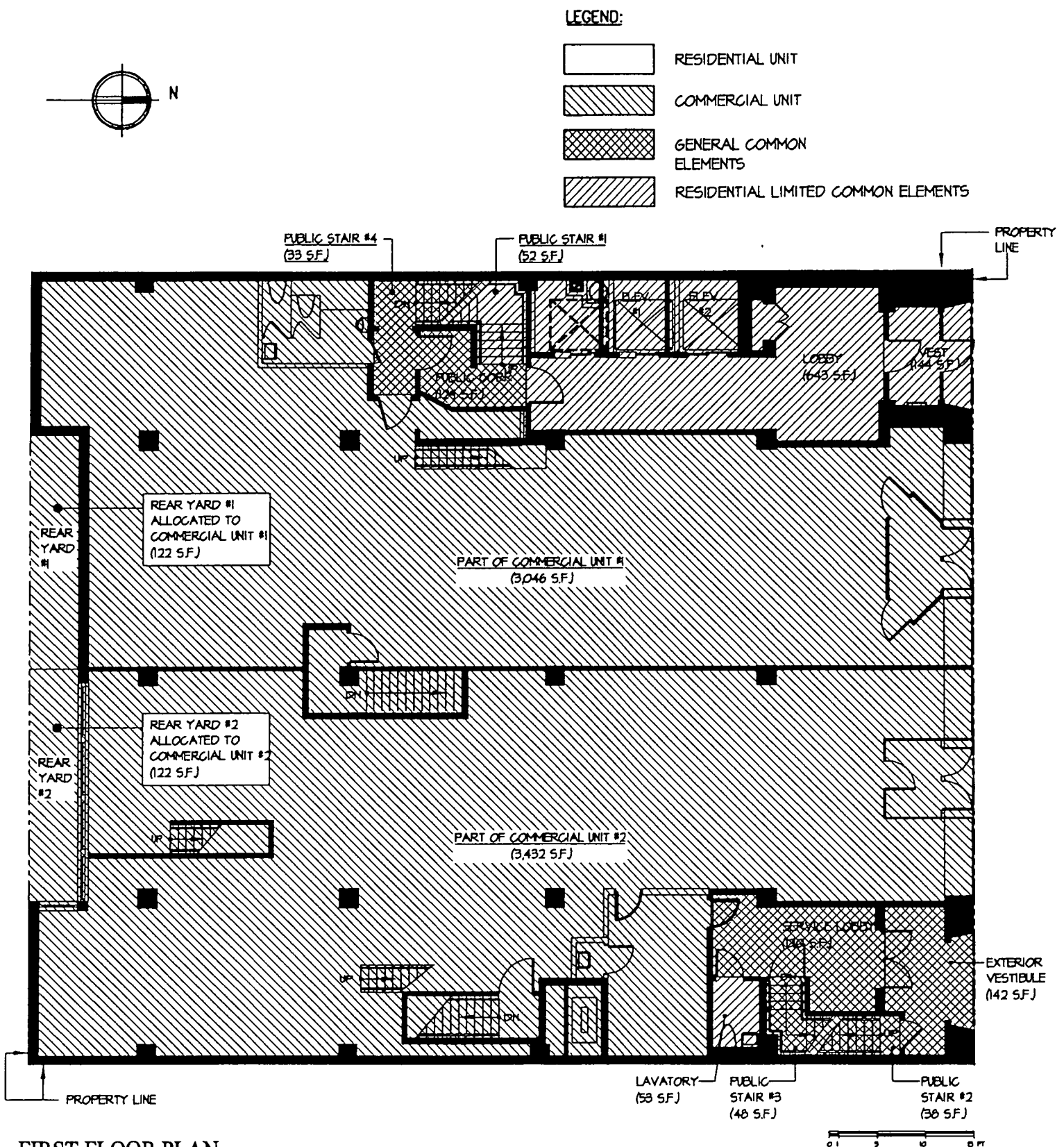
SUB-CELLAR PLAN

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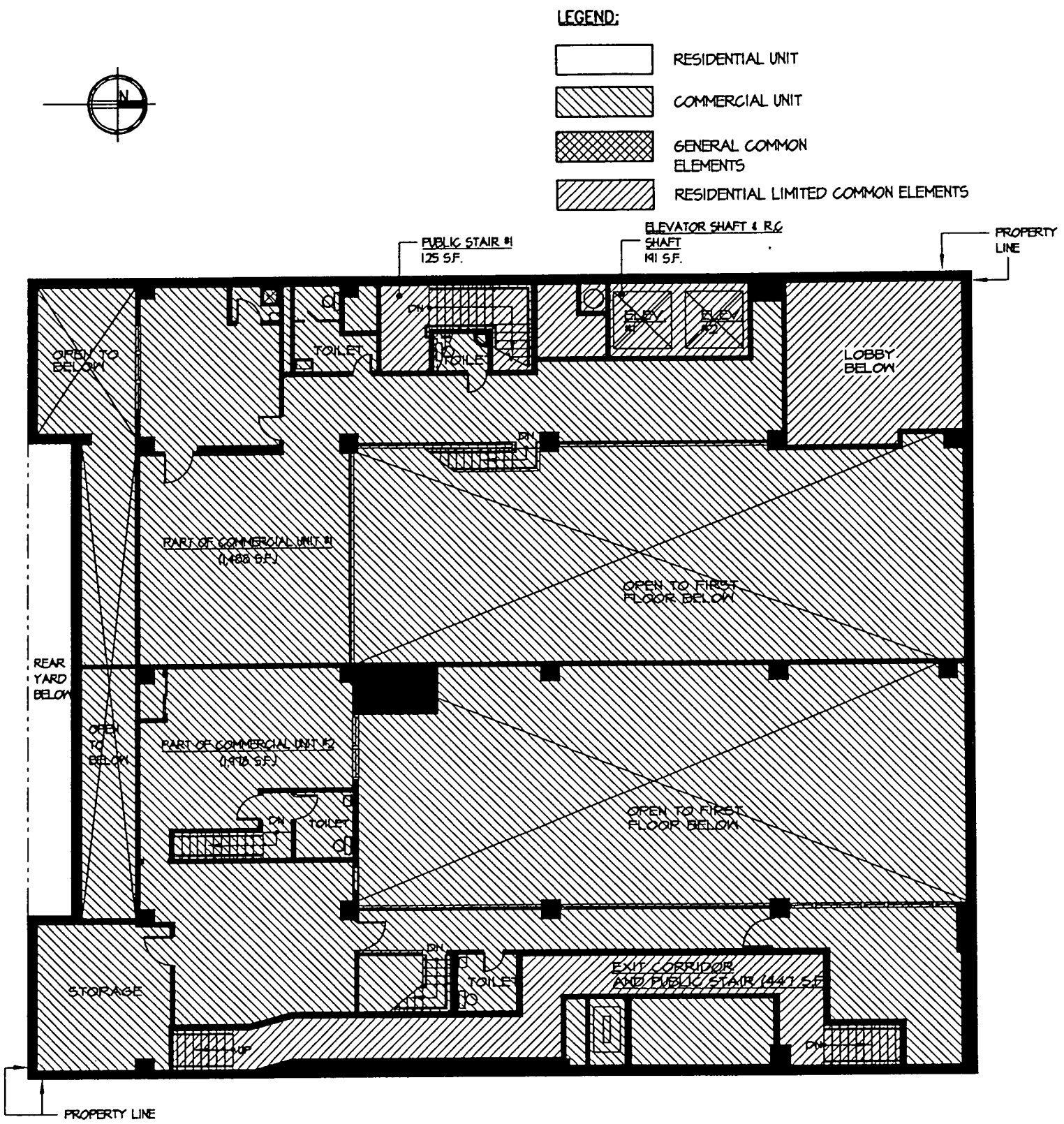
CELLAR PLAN

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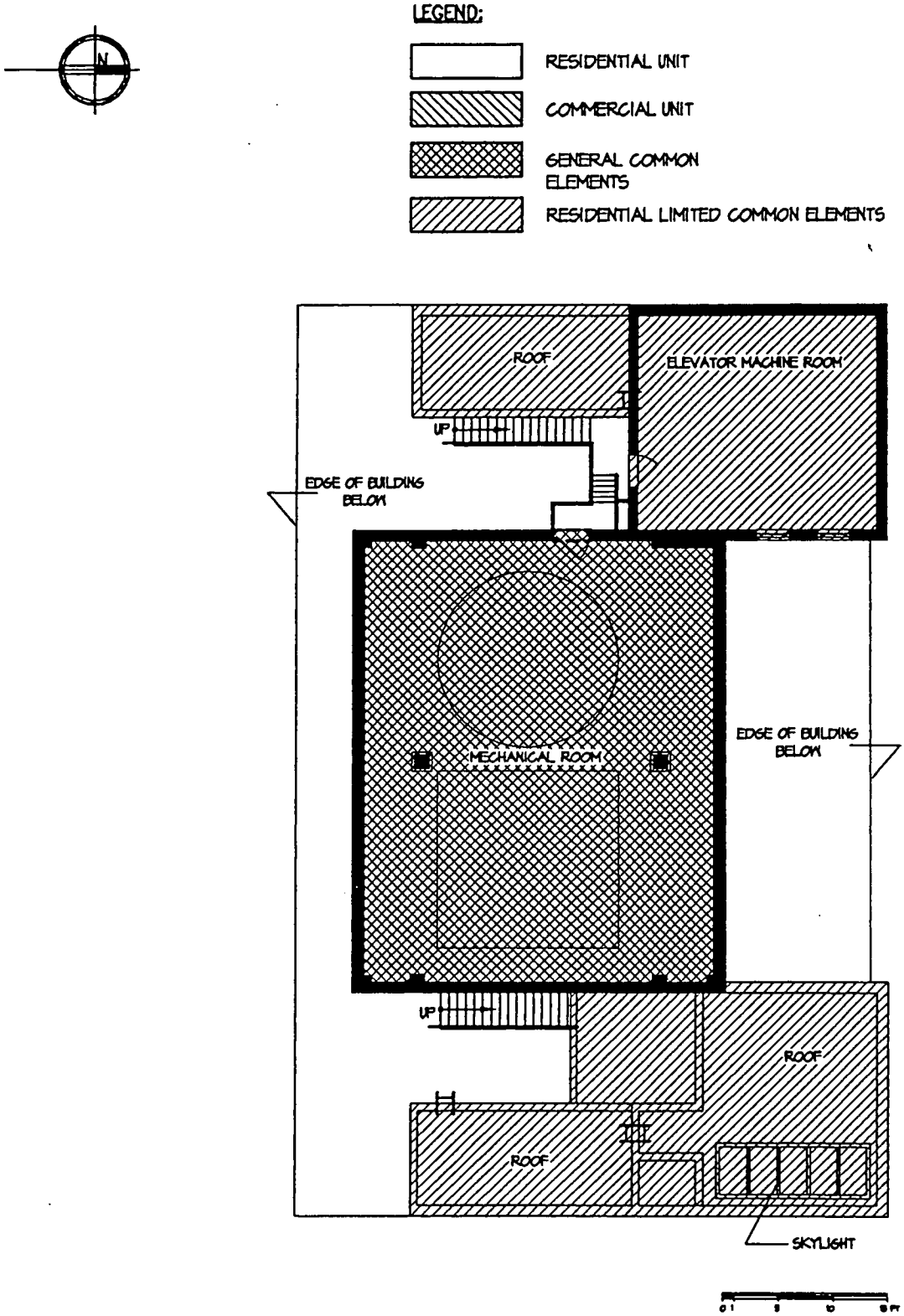
FIRST FLOOR PLAN

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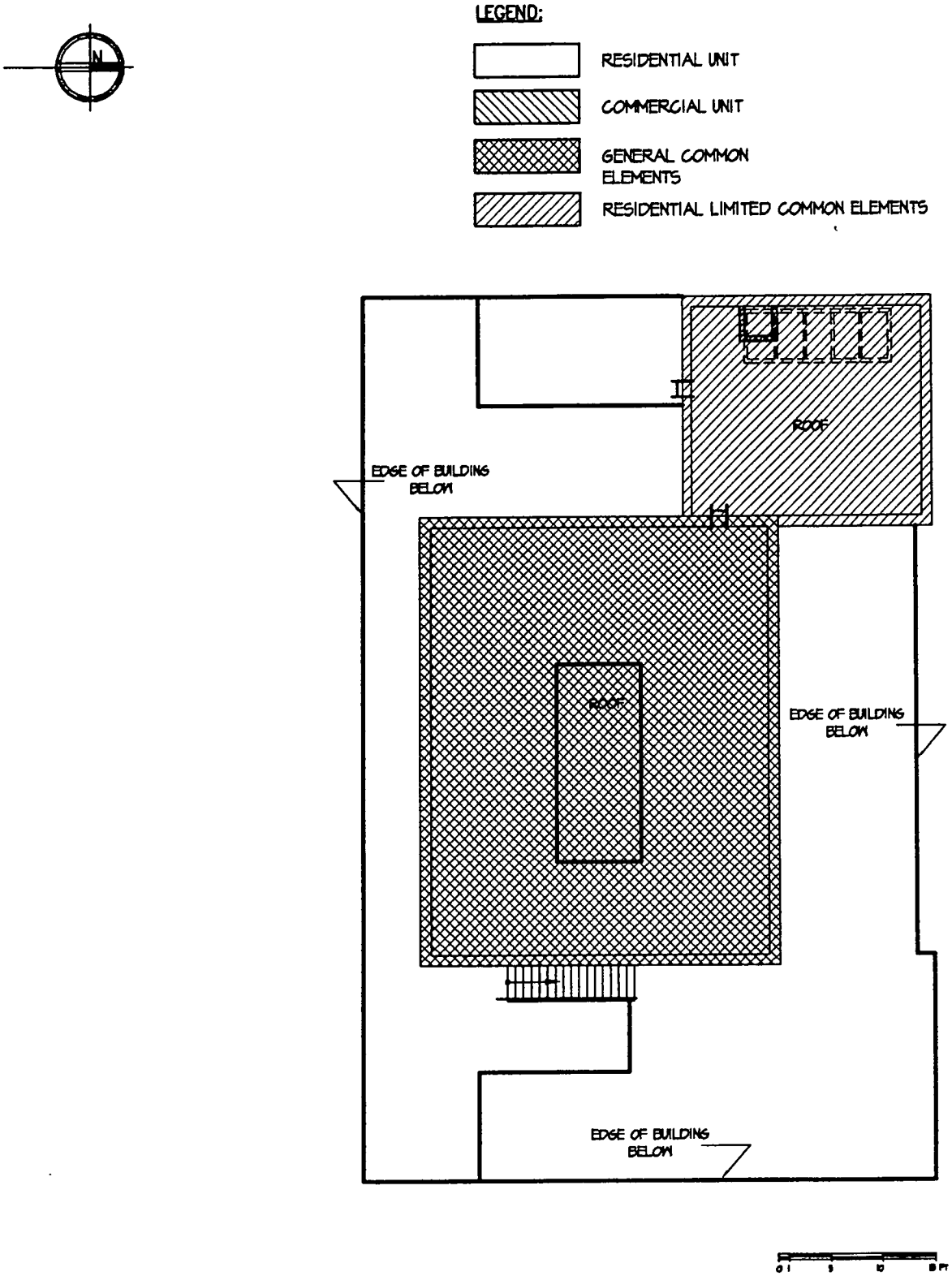
FIRST FLOOR MEZZANINE PLAN

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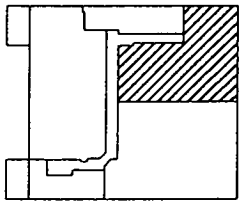
MECHANICAL LEVEL (21ST FLOOR)

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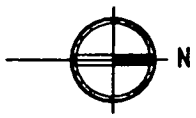


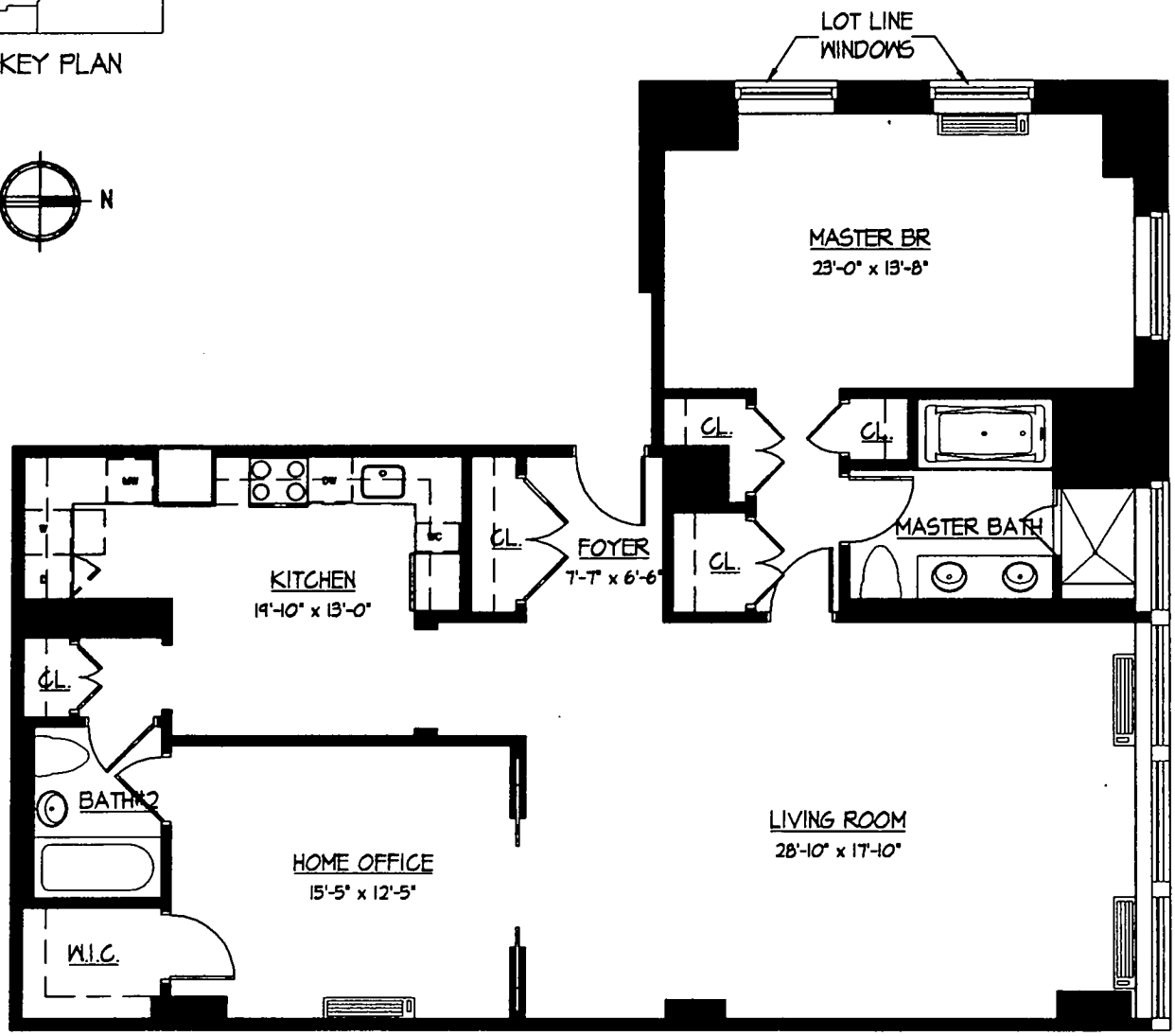
MECHANICAL LEVEL ROOF

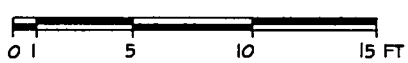
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KEY PLAN





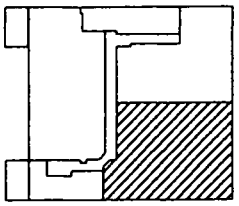


RESIDENTIAL UNIT # 2-A, 3-A, 4-A, 5-A, 6-A, 7-A, 8-A, 9-A
SQUARE FOOTAGE: 1,661 SQ. F.

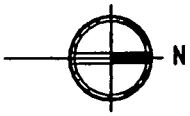
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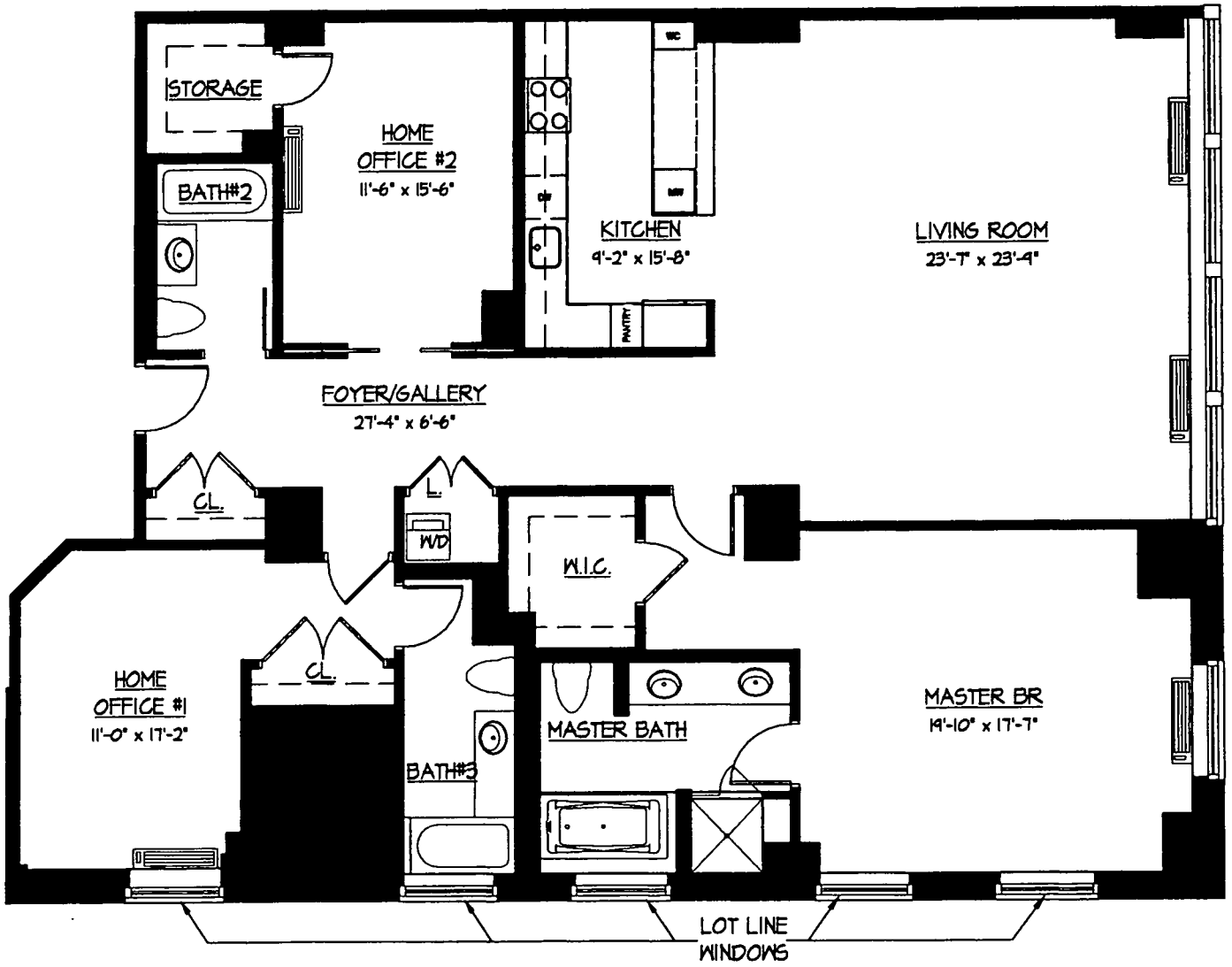
130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK



KEY PLAN





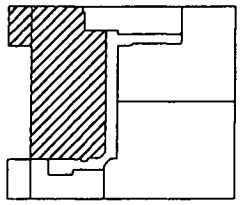
RESIDENTIAL UNIT # 2-B, 3-B, 4-B, 5-B, 6-B, 7-B, 8-B, 9-B
SQUARE FOOTAGE: 2,150 SQ. F.



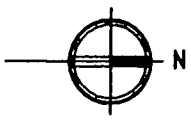
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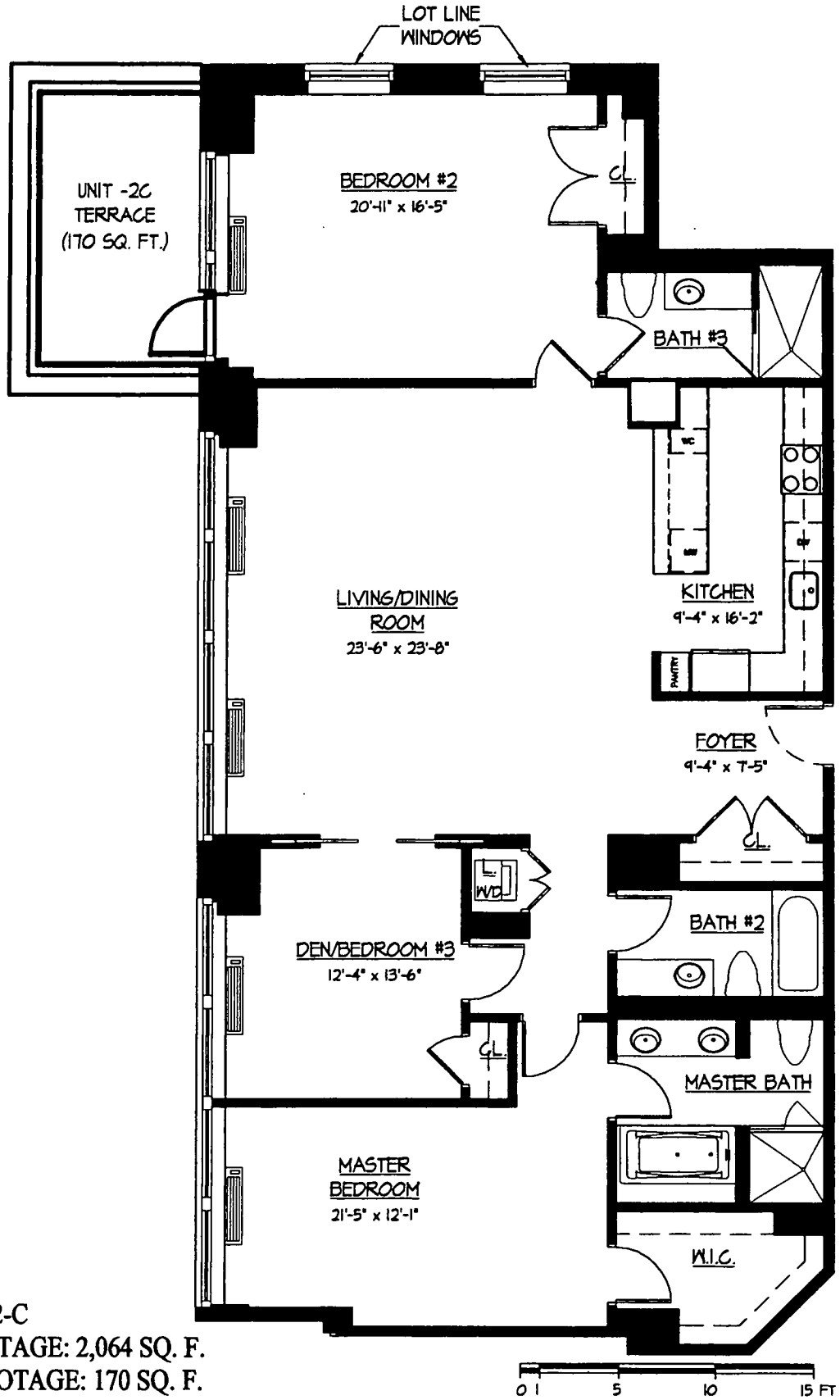
130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK



KEY PLAN



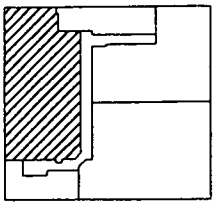


RESIDENTIAL UNIT # 2-C
INDOOR SQUARE FOOTAGE: 2,064 SQ. F.
TERRACE SQUARE FOOTAGE: 170 SQ. F.

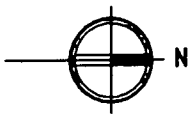
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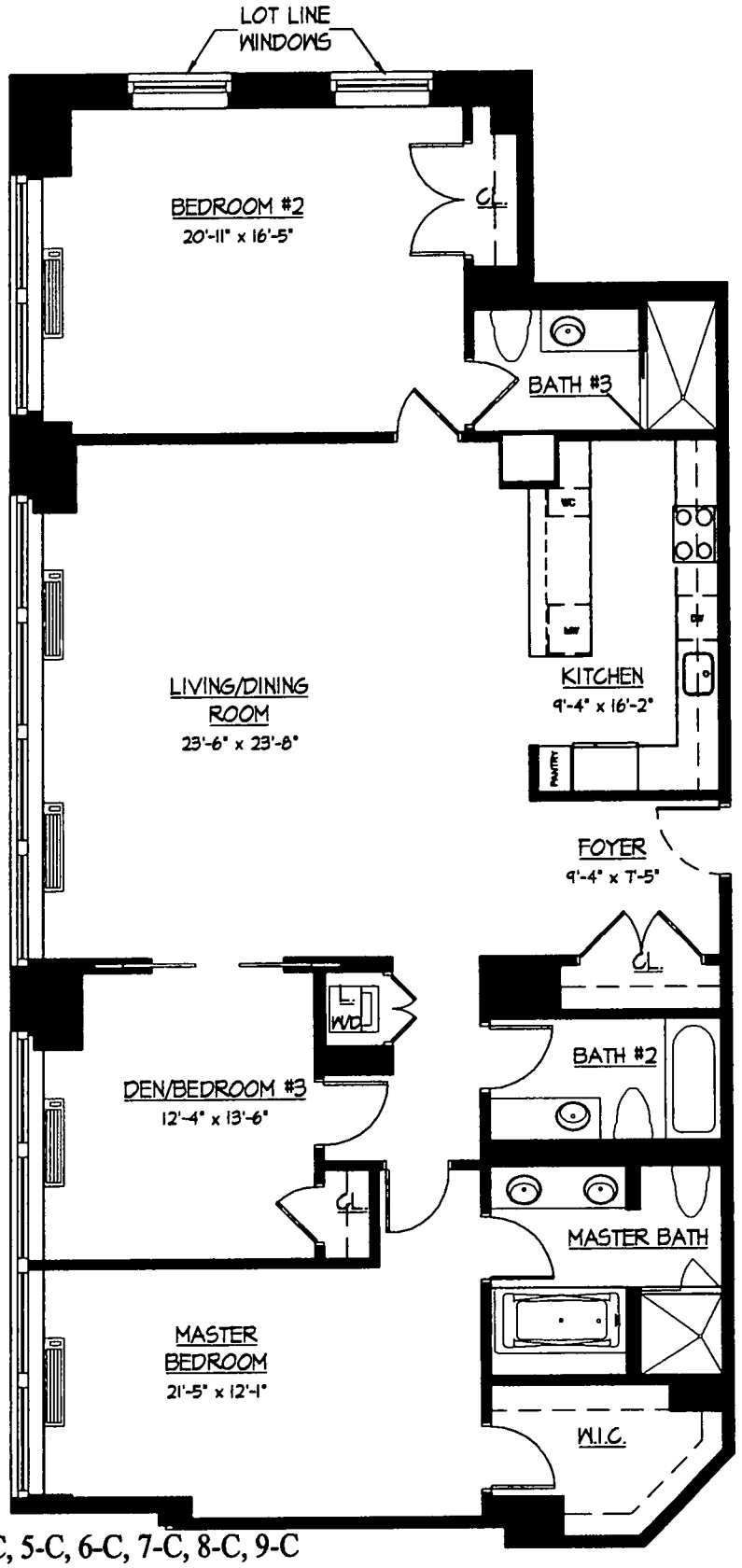
130 WEST 30th STREET CONDOMINIUM

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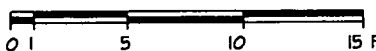


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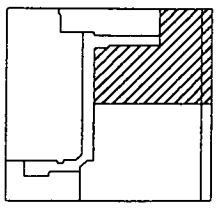
RESIDENTIAL UNIT # 3-C, 4-C, 5-C, 6-C, 7-C, 8-C, 9-C
SQUARE FOOTAGE: 2,064 SQ. F.



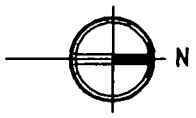
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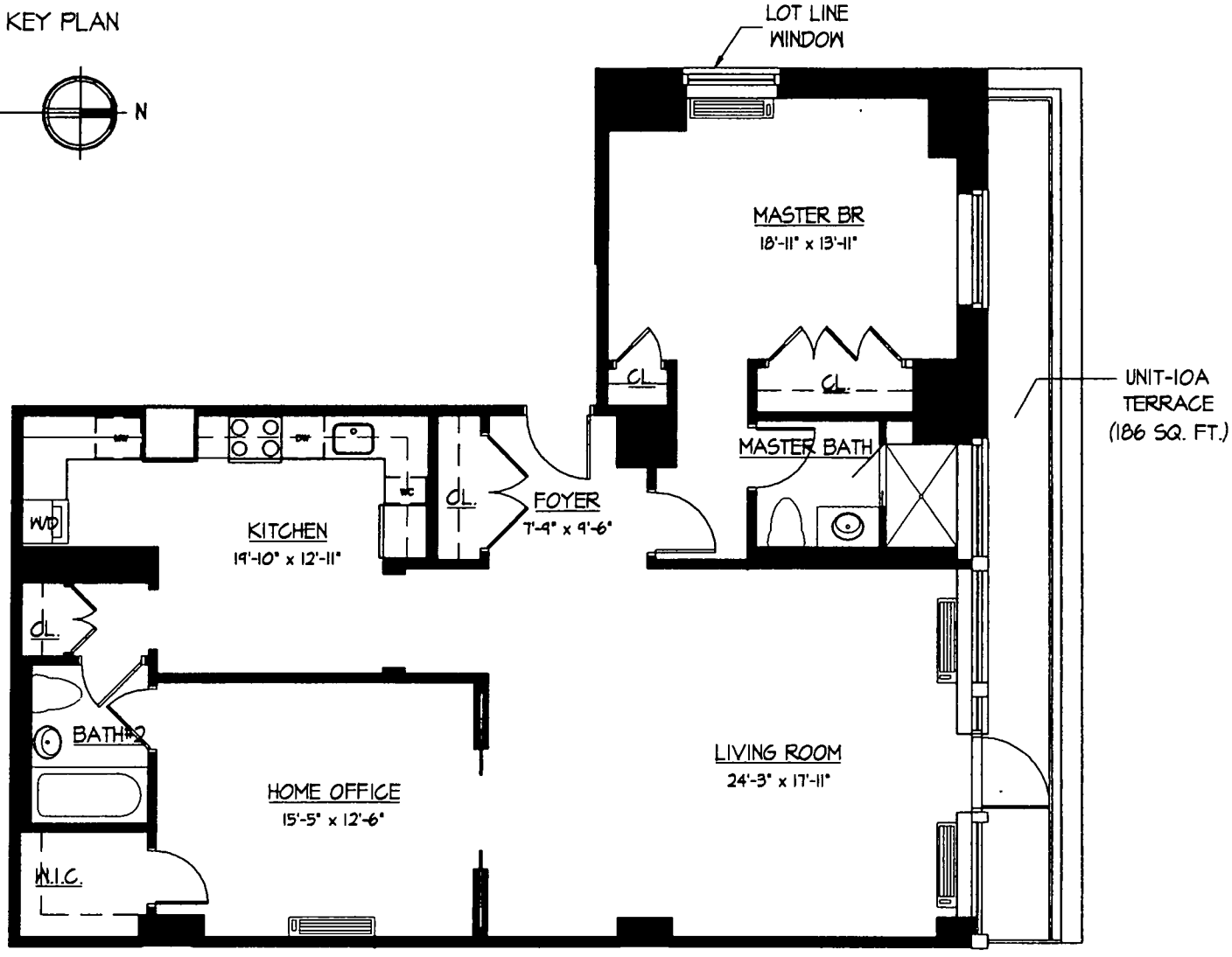
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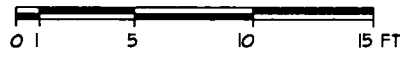


KEY PLAN

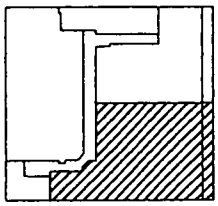




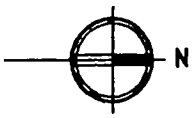
RESIDENTIAL UNIT # 10-A
INDOOR SQUARE FOOTAGE: 1,479 SQ. F.
TERRACE SQUARE FOOTAGE: 186 SQ. F.

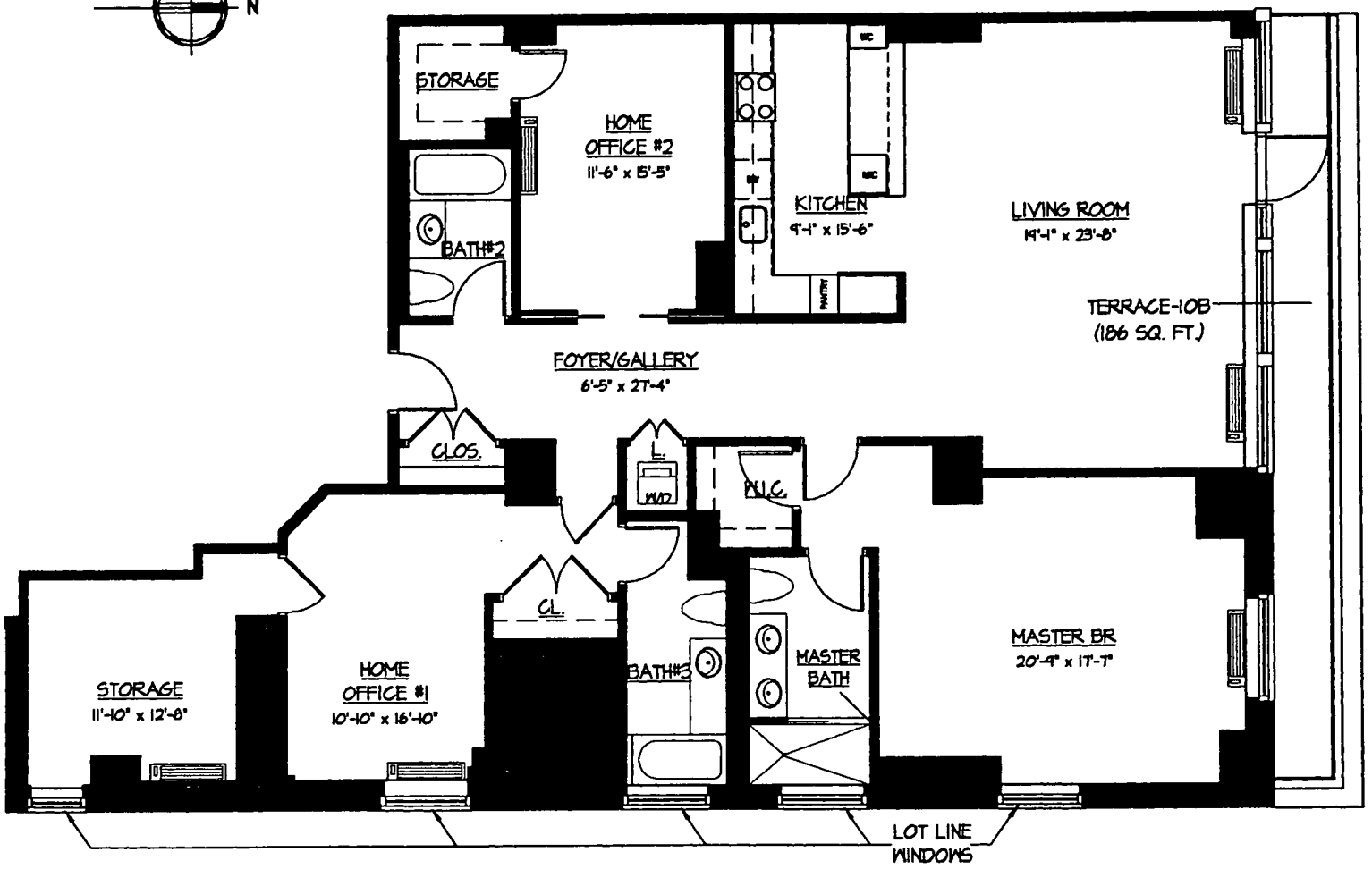


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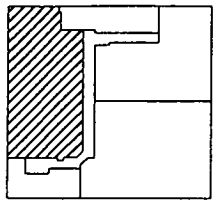
RESIDENTIAL UNIT # 10-B
INDOOR SQUARE FOOTAGE: 2,129 SQ. F.
TERRACE SQUARE FOOTAGE: 186 SQ. F.



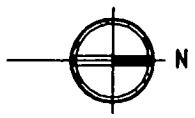
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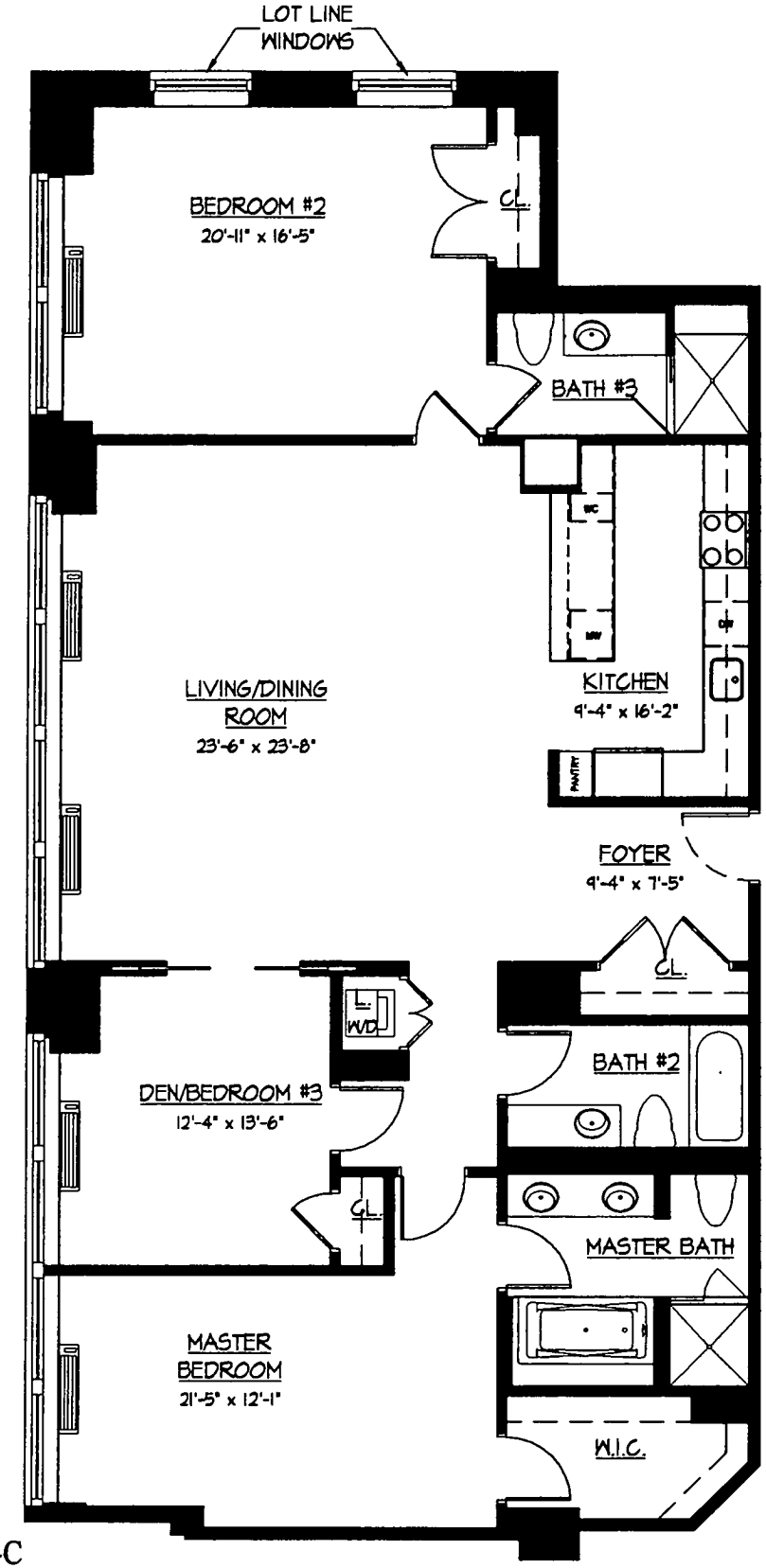
130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK

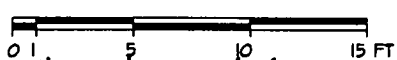


KEY PLAN





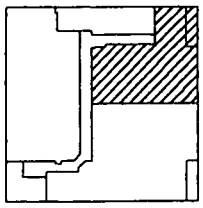
RESIDENTIAL UNIT # 10-C, 11-C
SQUARE FOOTAGE: 2,055 SQ. F.



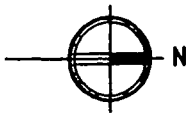
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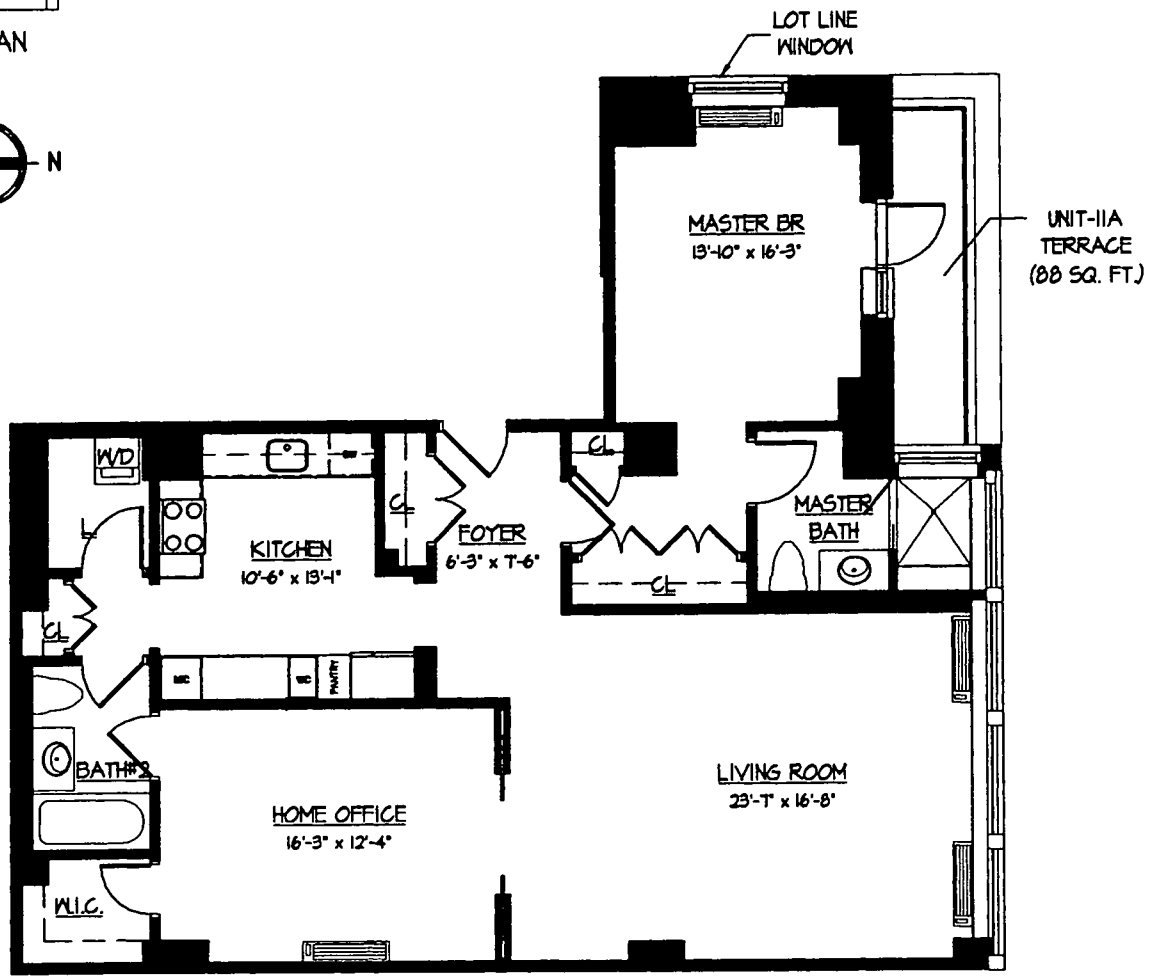
130 WEST 30th STREET CONDOMINIUM

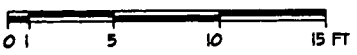
130 WEST 30TH STREET NEW YORK, NEW YORK



KEY PLAN

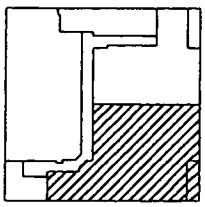




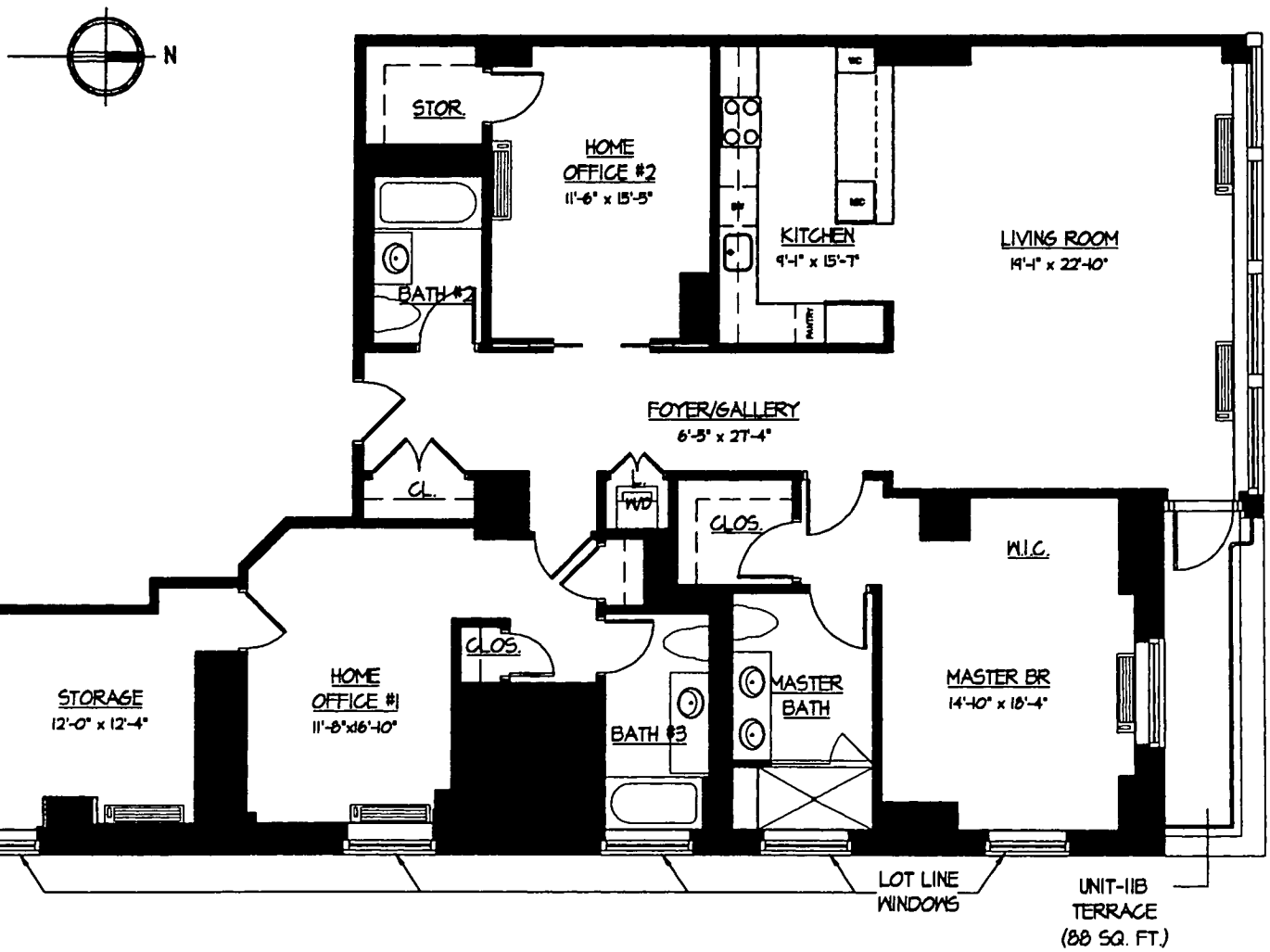


RESIDENTIAL UNIT # 11-A
INDOOR SQUARE FOOTAGE: 1,394 SQ. F.
TERRACE SQUARE FOOTAGE: 88 SQ. F.

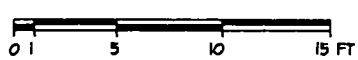
The Unit Layout, square footage and dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. This floor plan is based on construction drawings. Minor inaccuracies between this floor plan and the actual Unit Layout when built will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.



KEY PLAN



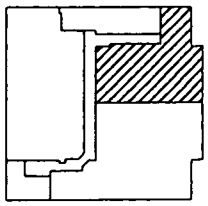
RESIDENTIAL UNIT # 11-B
INDOOR SQUARE FOOTAGE: 2,052 SQ. F.
TERRACE SQUARE FOOTAGE: 88 SQ. F.



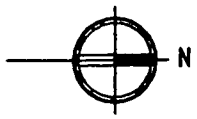
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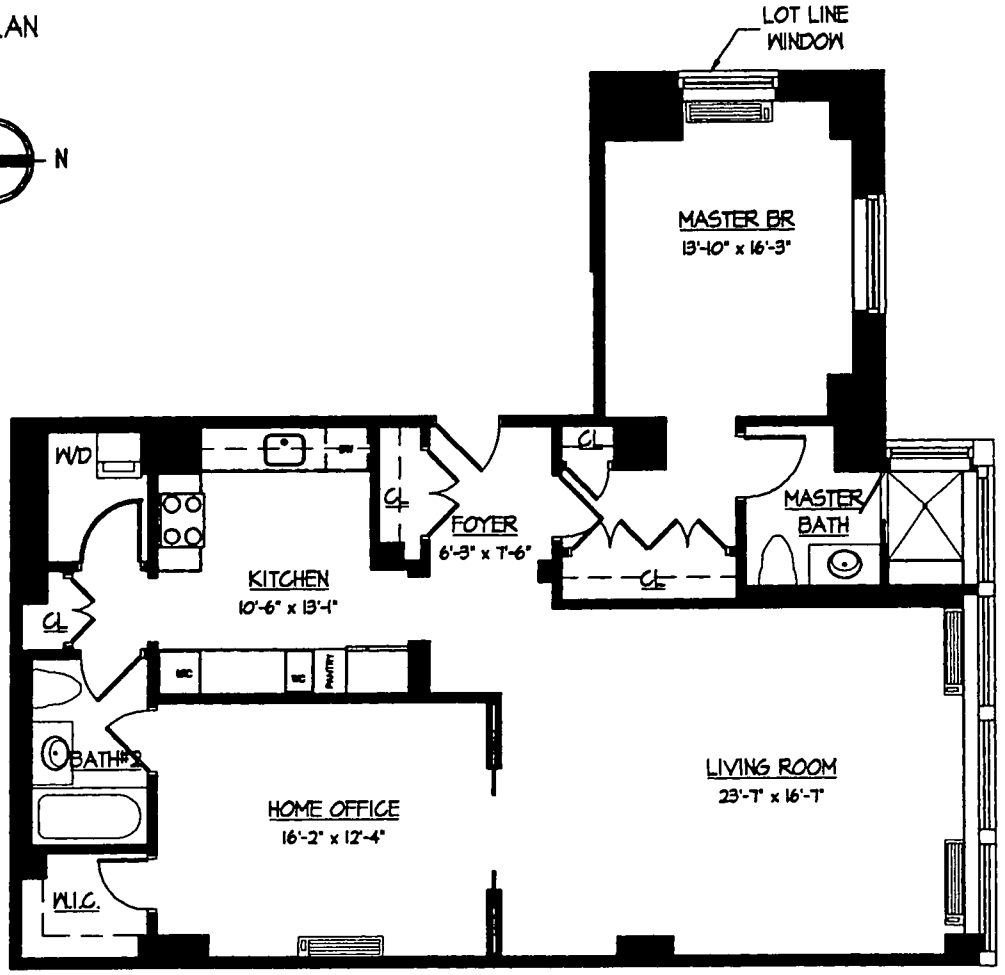
130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK



KEY PLAN

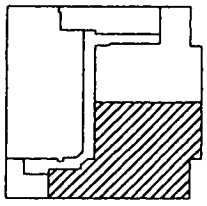




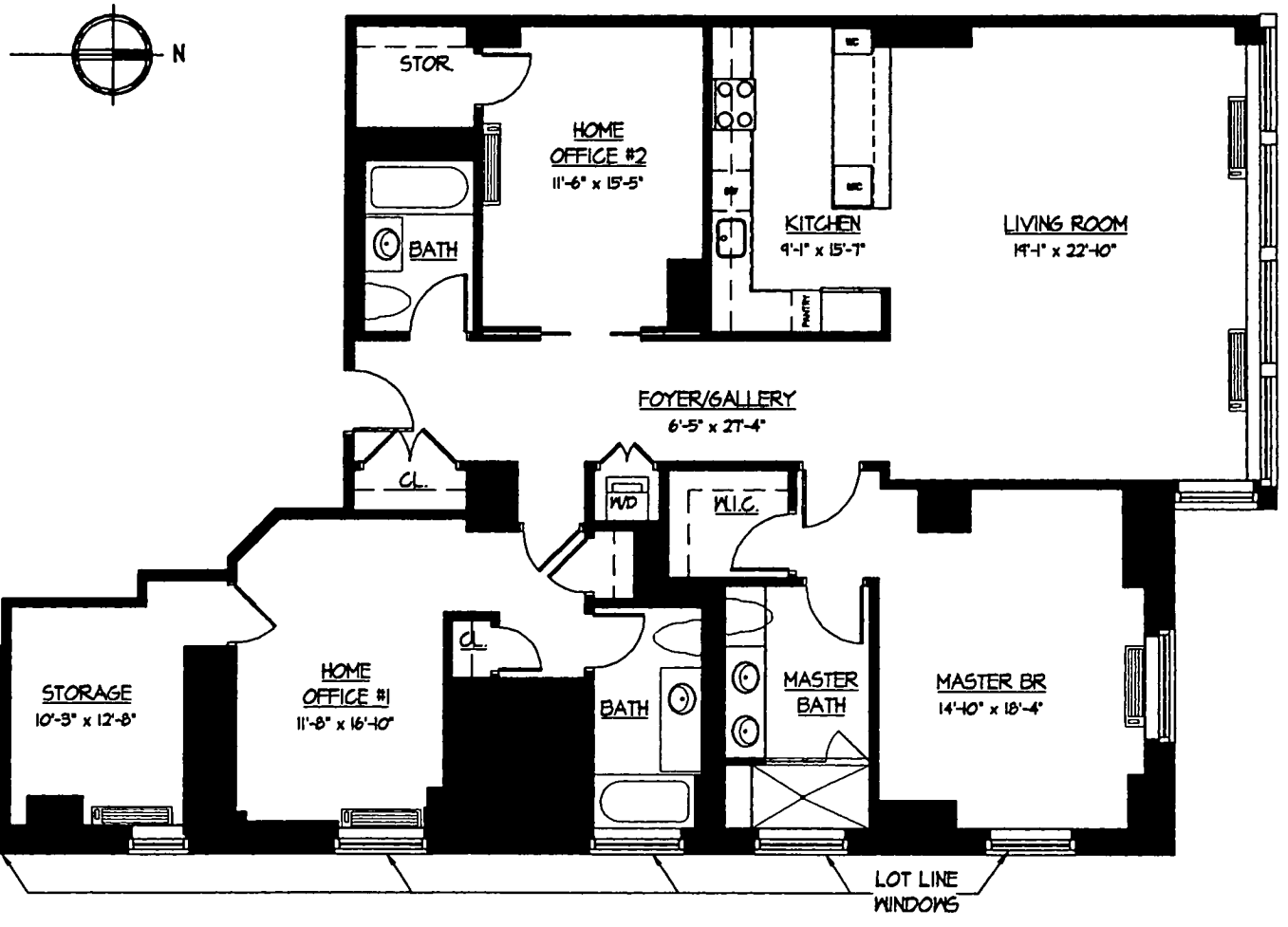


RESIDENTIAL UNIT # 12-A, 14-A
SQUARE FOOTAGE: 1,394 SQ. F.

The Unit Layout, square footage and dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. This floor plan is based on construction drawings. Minor inaccuracies between this floor plan and the actual Unit Layout when built will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.



KEY PLAN



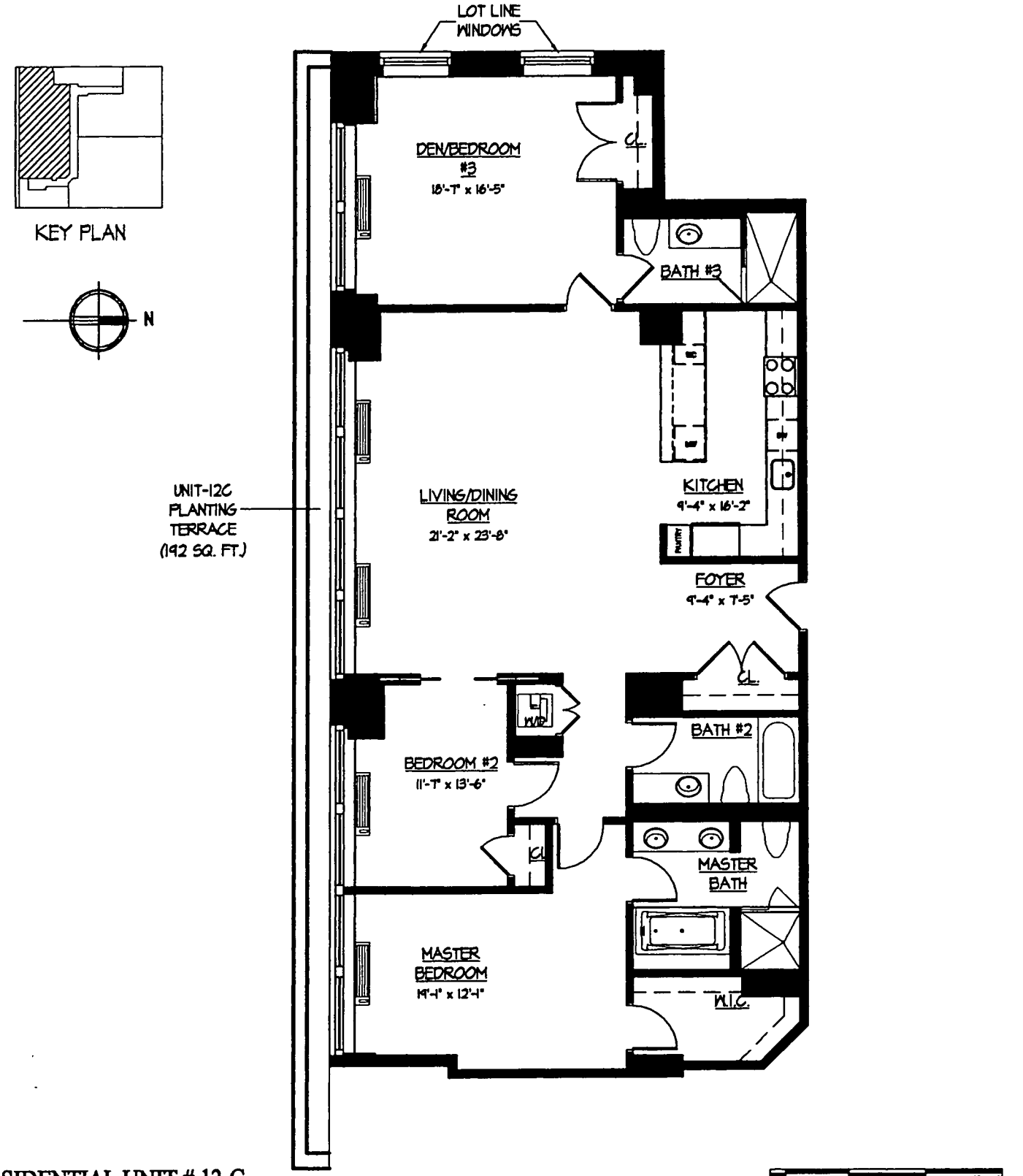
0 1 5 10 15 FT

RESIDENTIAL UNIT # 12-B, 14-B
SQUARE FOOTAGE: 2,027 SQ. F.

The Unit Layout, square footage and dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. This floor plan is based on construction drawings. Minor inaccuracies between this floor plan and the actual Unit Layout when built will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.

130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK

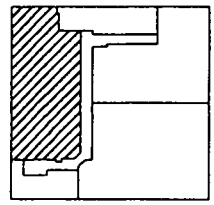


RESIDENTIAL UNIT # 12-C
INDOOR SQUARE FOOTAGE: 1,905 SQ. F.
PLANTING TERRACE SQUARE FOOTAGE: 192 SQ. F.

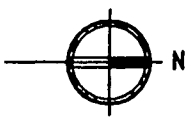
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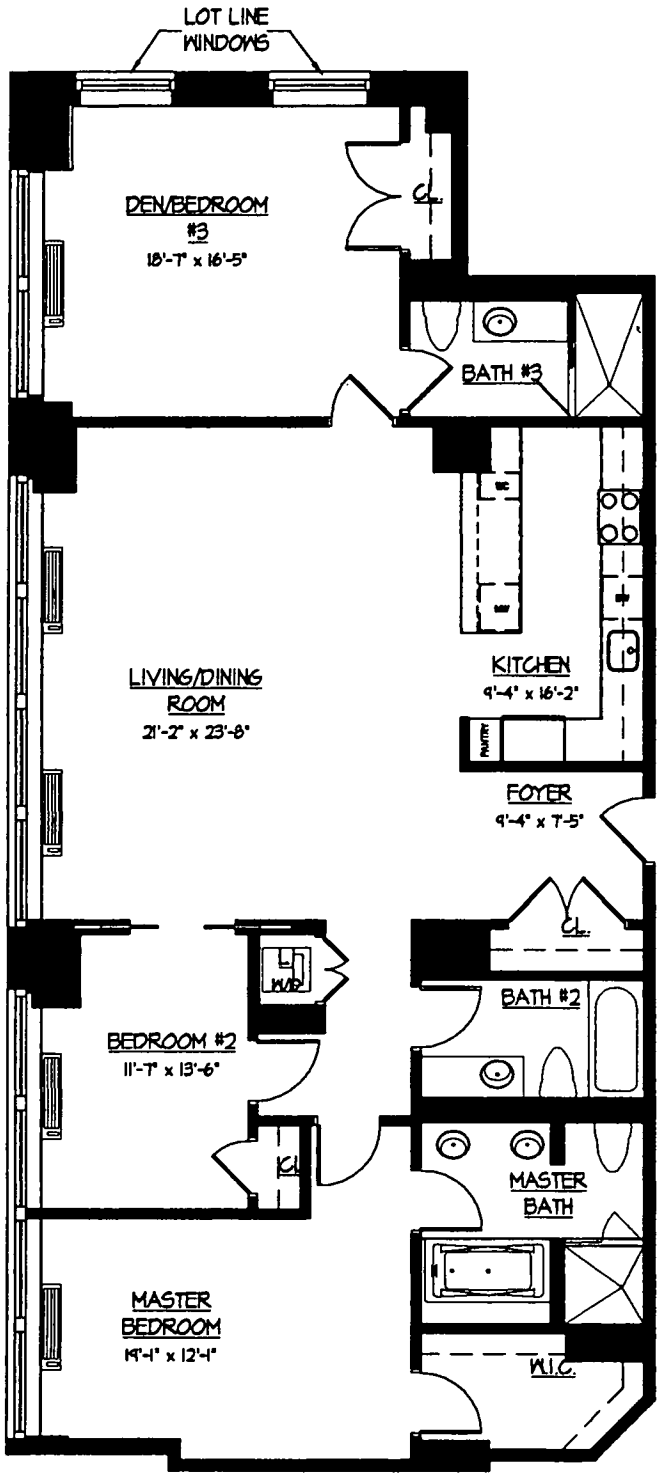
130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK



KEY PLAN

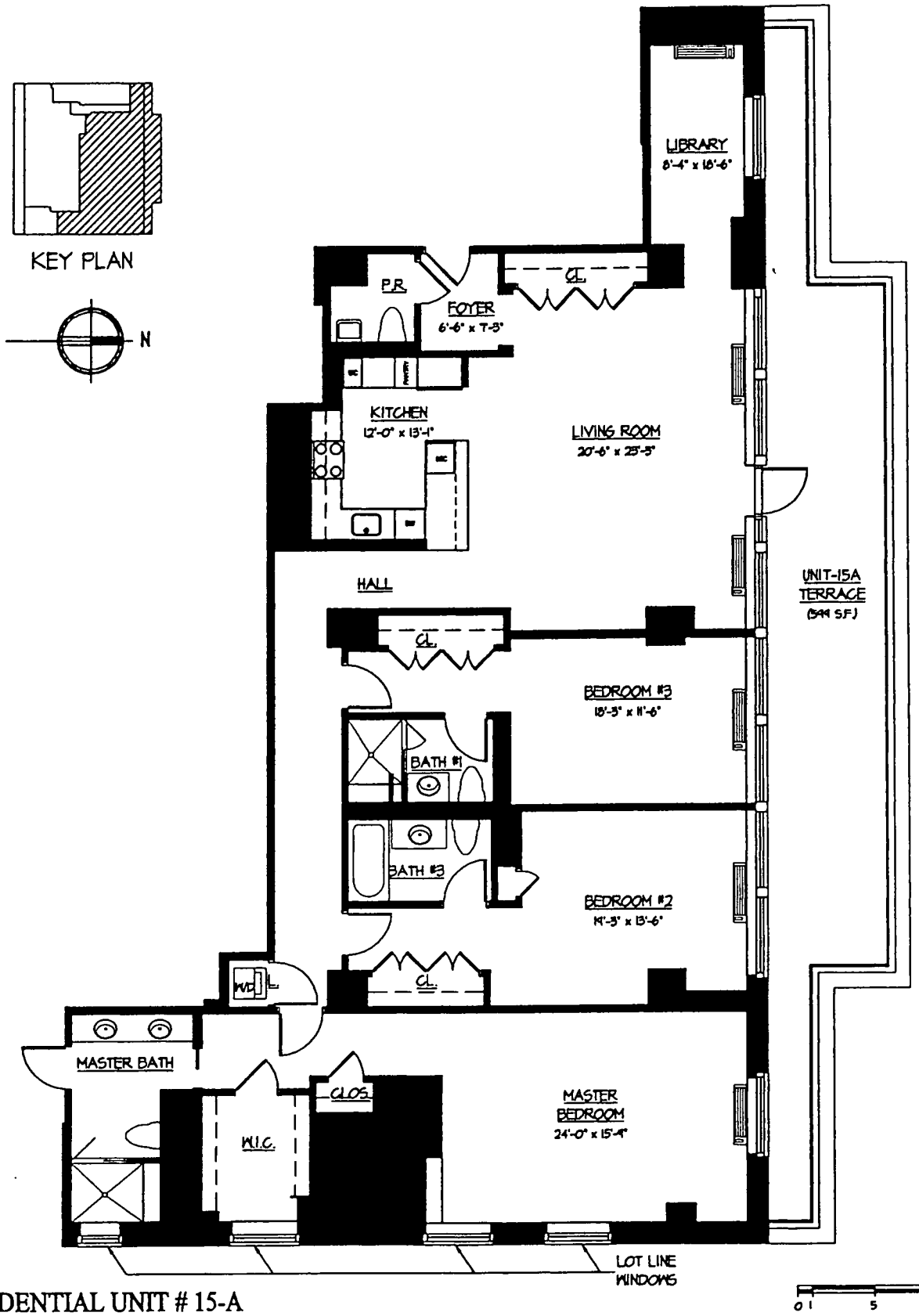






RESIDENTIAL UNIT # 14-C
SQUARE FOOTAGE: 1,905 SQ. F.

The Unit Layout, square footage and dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. This floor plan is based on construction drawings. Minor inaccuracies between this floor plan and the actual Unit Layout when built will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.



RESIDENTIAL UNIT # 15-A

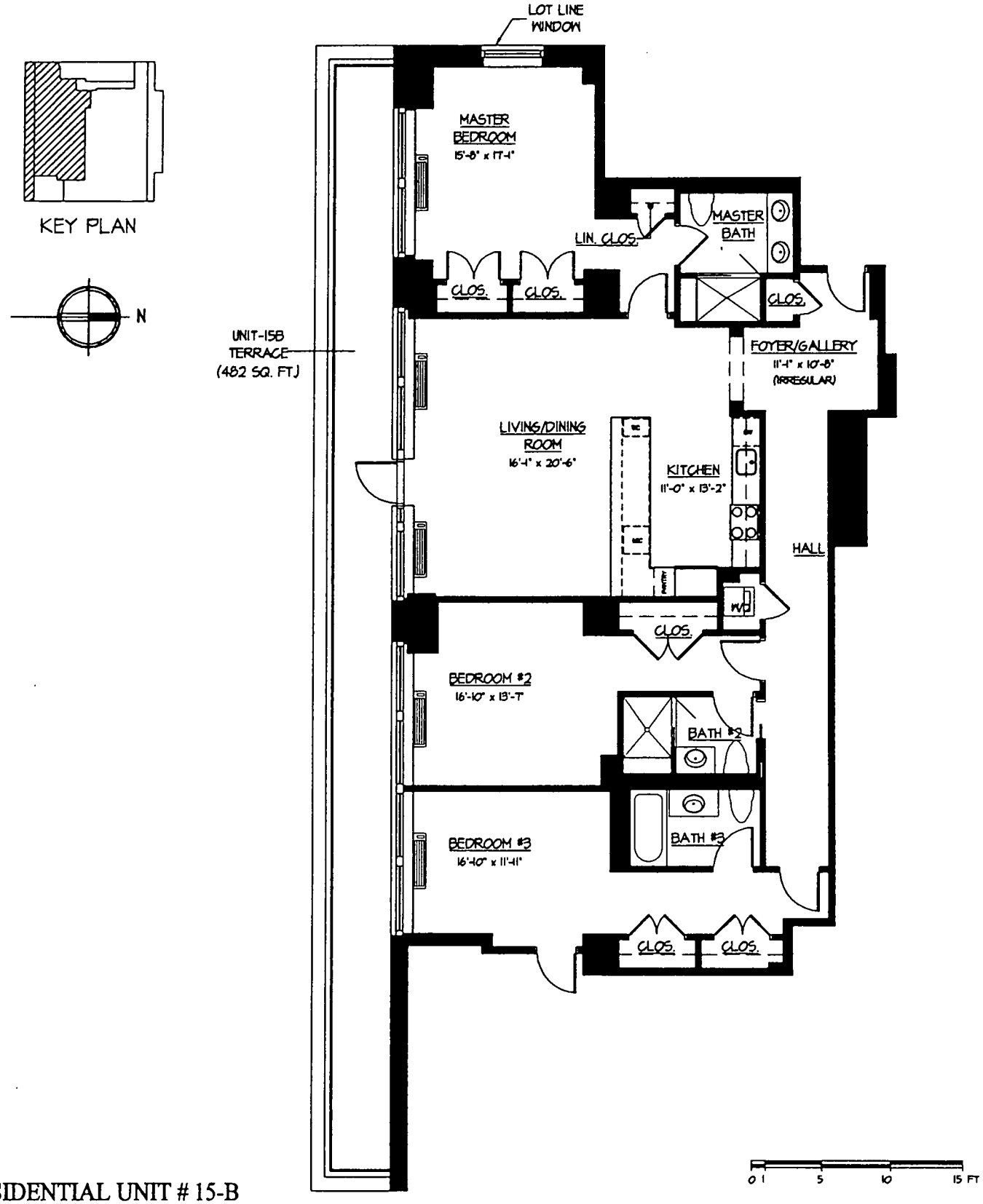
INDOOR SQUARE FOOTAGE: 2,489 SQ. F.

TERRACE SQUARE FOOTAGE: 599 SQ. F.

The Unit Layout, square footage and dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. This floor plan is based on construction drawings. Minor inaccuracies between this floor plan and the actual Unit Layout when built will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.

130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK



RESIDENTIAL UNIT # 15-B

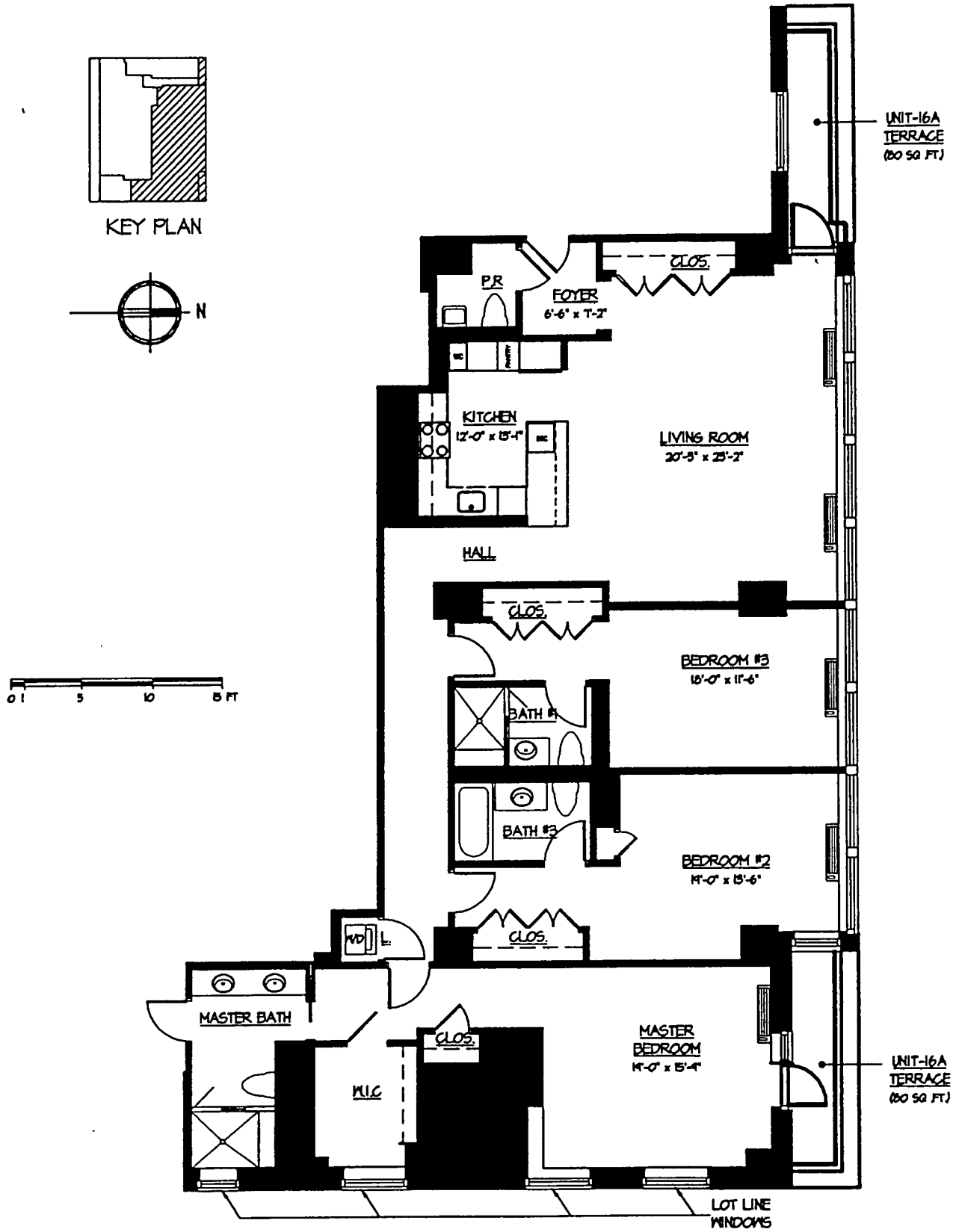
INDOOR SQUARE FOOTAGE: 1,987 SQ. F.

TERRACE SQUARE FOOTAGE: 482 SQ. F.

The Unit Layout, square footage and dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. This floor plan is based on construction drawings. Minor inaccuracies between this floor plan and the actual Unit Layout when built will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.

130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK



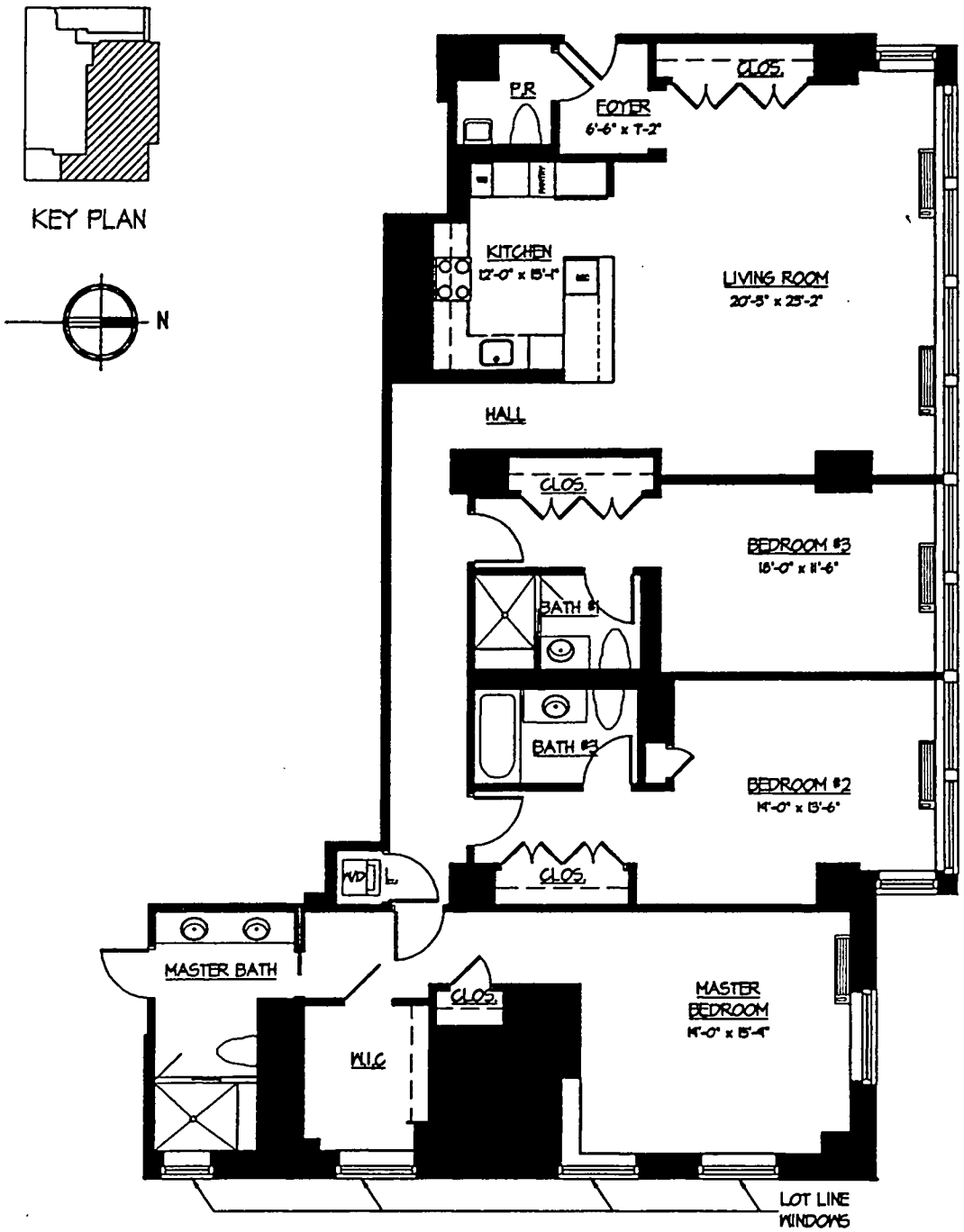
RESIDENTIAL UNIT # 16-A
INDOOR SQUARE FOOTAGE: 2,256 SQ. F.

TERRACES SQUARE FOOTAGE: 160 SQ. F.
(TWO TERRACES AT 80 SQ. F. EACH)

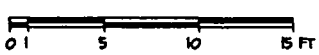
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130 WEST 30th STREET CONDOMINIUM

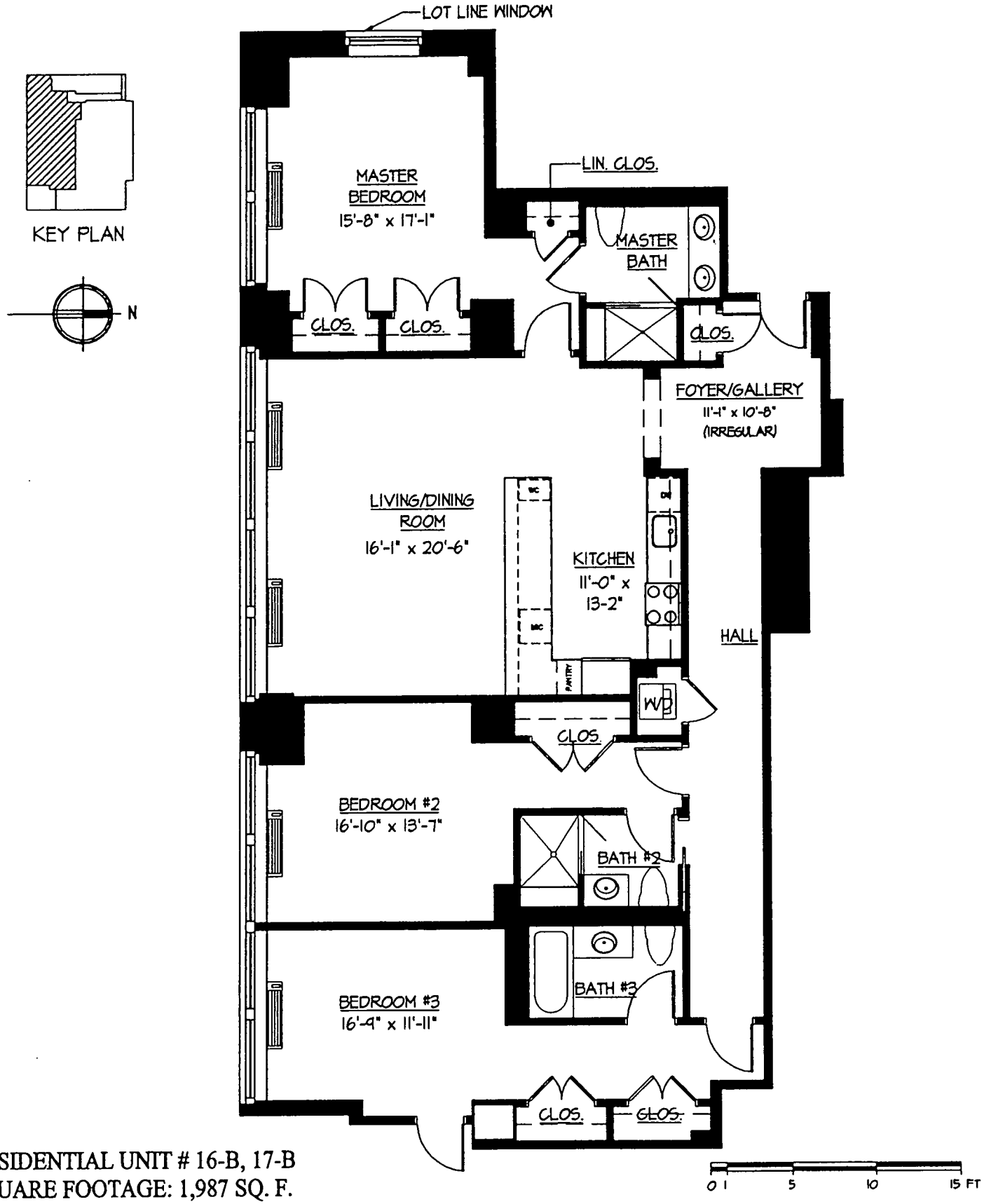
130 WEST 30TH STREET NEW YORK, NEW YORK



RESIDENTIAL UNIT # 17-A
SQUARE FOOTAGE: 2,256 SQ. F.



The Unit Layout, square footage and dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. This floor plan is based on construction drawings. Minor inaccuracies between this floor plan and the actual Unit Layout when built will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.

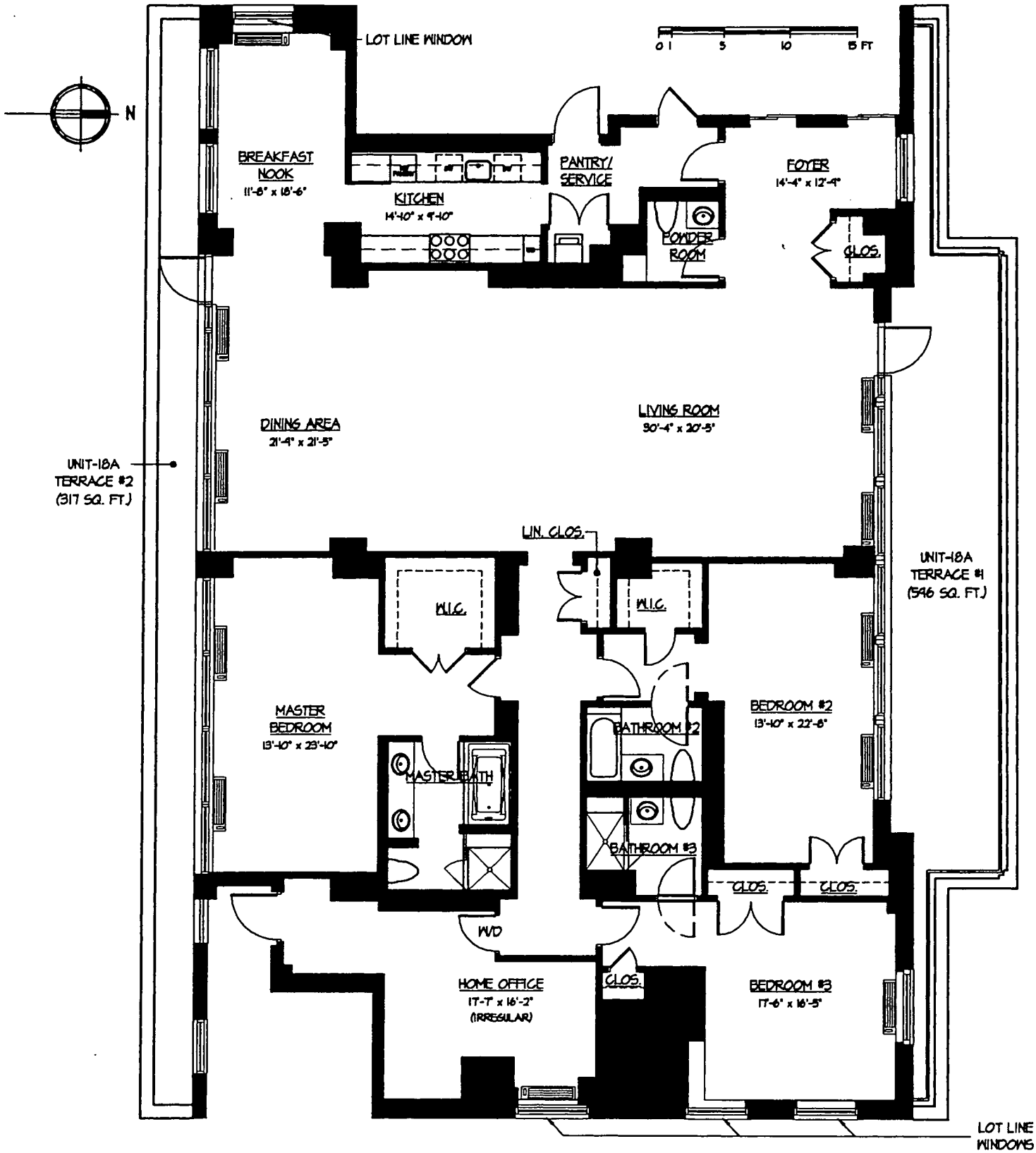


RESIDENTIAL UNIT # 16-B, 17-B
SQUARE FOOTAGE: 1,987 SQ. F.

The Unit Layout, square footage and dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. This floor plan is based on construction drawings. Minor inaccuracies between this floor plan and the actual Unit Layout when built will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.

130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK



RESIDENTIAL UNIT # 18-A

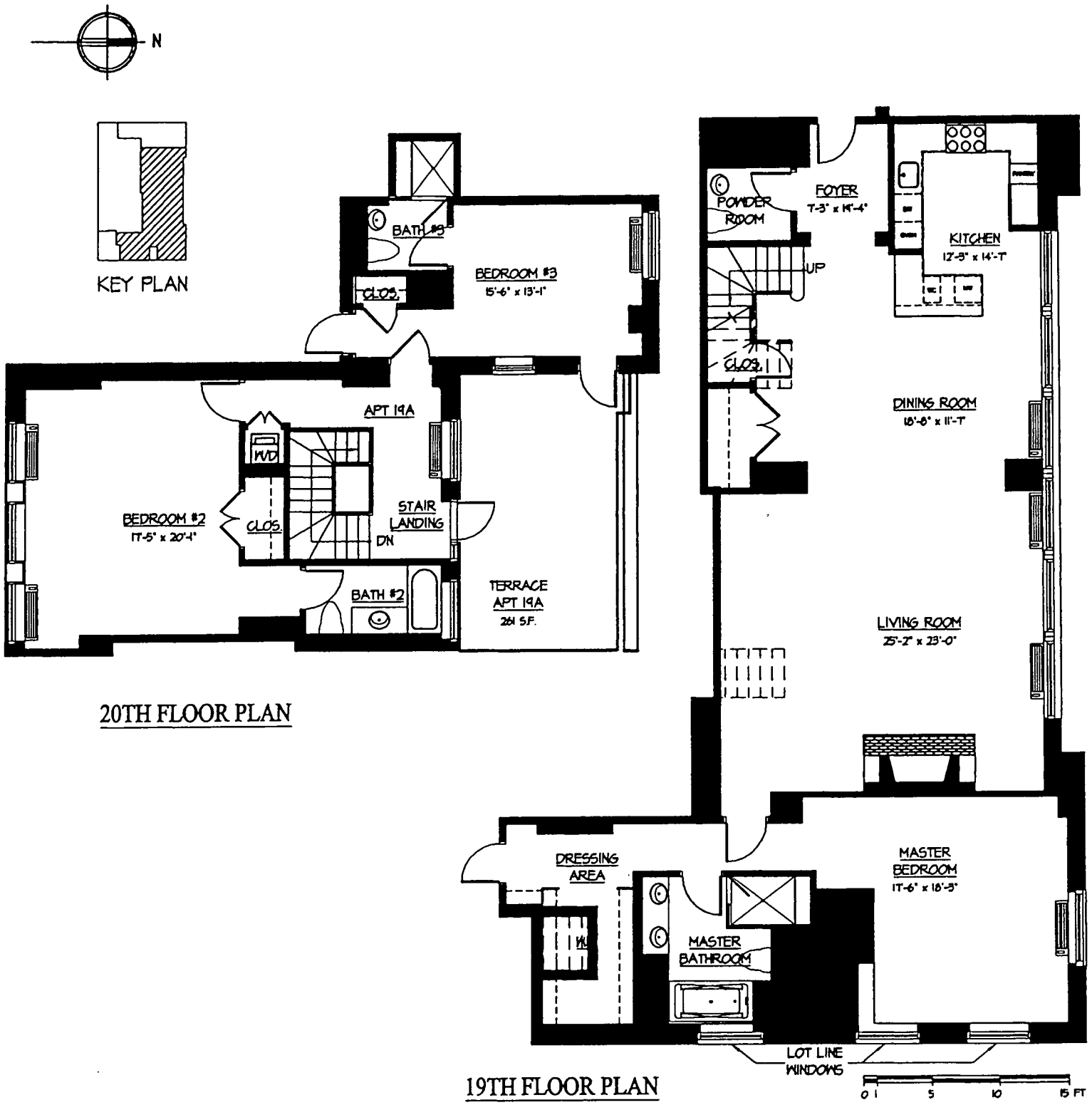
INDOOR SQUARE FOOTAGE: 3,852 SQ. F.

TERRACES SQUARE FOOTAGE: 913 SQ. F.
(ONE TERRACE 317 SQ. F. AND ONE TERRACE 596 SQ. F.)

The Unit Layout, square footage and dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. This floor plan is based on construction drawings. Minor inaccuracies between this floor plan and the actual Unit Layout when built will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.

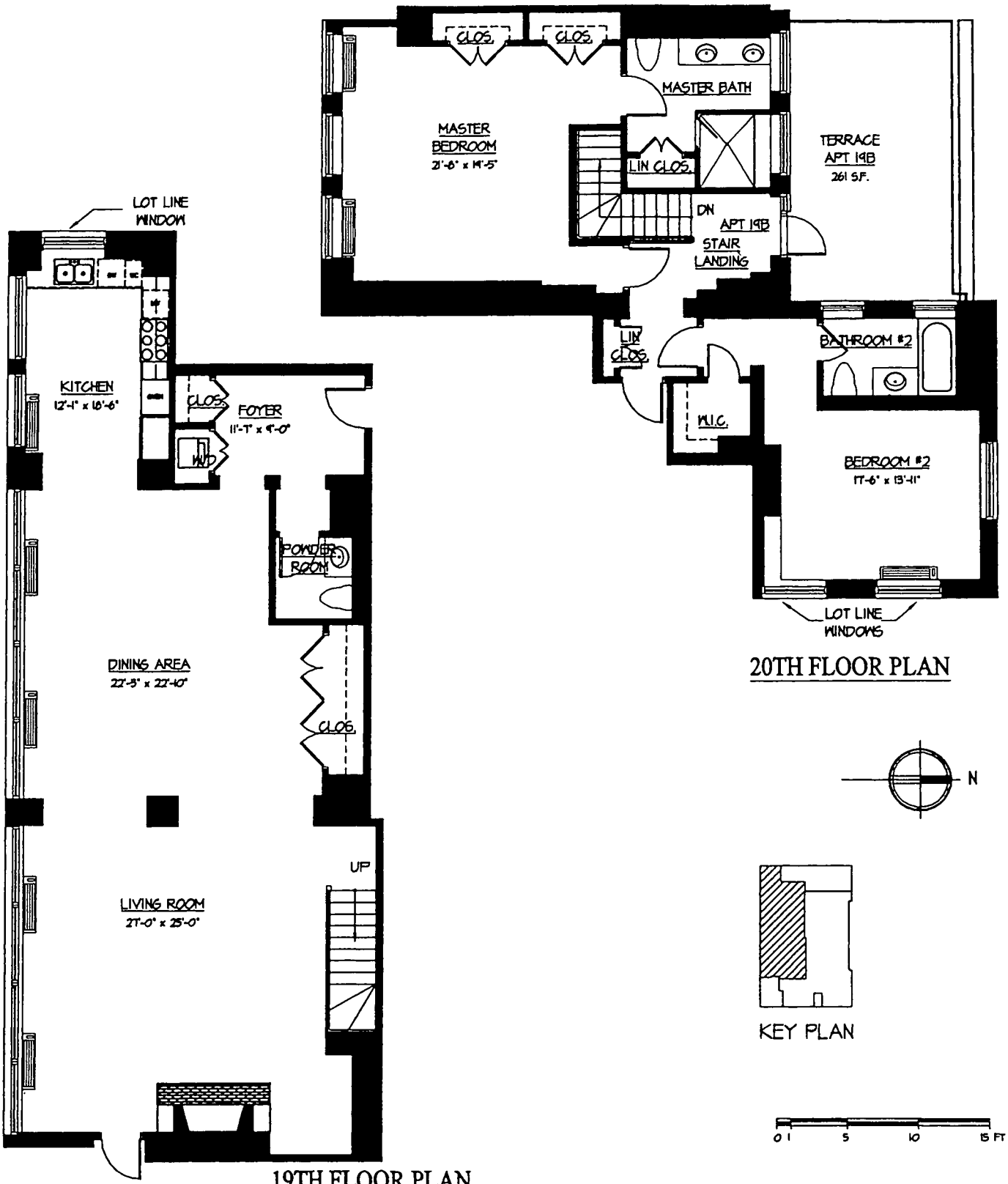
130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK



RESIDENTIAL UNIT # 19-A
INDOOR SQUARE FOOTAGE: 2,988 SQ. F.
TERRACE SQUARE FOOTAGE: 261 SQ. F.

The Unit Layout, square footage and dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. This floor plan is based on construction drawings. Minor inaccuracies between this floor plan and the actual Unit Layout when built will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.



20TH FLOOR PLAN

19TH FLOOR PLAN

RESIDENTIAL UNIT # 19-B

INDOOR SQUARE FOOTAGE: 2,813 SQ. F.

TERRACE SQUARE FOOTAGE: 261 SQ. F.

The Unit Layout, square footage and dimensions are approximate and subject to normal construction variances and tolerances. Square footage exceeds the usable floor area. This floor plan is based on construction drawings. Minor inaccuracies between this floor plan and the actual Unit Layout when built will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. Sponsor reserves the right to make changes to a Unit in accordance with the Offering Plan.

130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK

DECLARATION OF CONDOMINIUM

Establishing a Plan for Condominium Ownership
of the Premises known as and by the street number

130 West 30th Street (a/k/a 128-134 West 30th Street)
NEW YORK, NEW YORK 10001

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name of Condominium:	**130 West 30th Street Condominium**
Declarant:	**130 West 30th, LLC**
Declarant's Address:	**c/o H. Justin Realty Services, LLC, 115 West 30th Street, Suite 203, New York, New York 10001**
Date of Declaration:	**_____ ____, 2003**
Location of Land:	**The Land affected by the within instrument lies in Section 3, Block 805 on the Tax Map of the Real Property Assessment Department of The City of New York, Borough of Manhattan, County and State of New York in Lots: F/K/A Lot 81, N/K/A Lots 1001 to 1065**

RECORD AND RETURN TO
Mandel Resnik Kaiser Moskowitz & Greenstein P.C.
220 East 42nd Street
20th Floor
New York, New York 10017
Attention: Alan L. Kazlow, Esq.

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Mandel Resnik Kaiser Moskowitz & Greenstein P.C.
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Table of Contents

Caption		Page
ARTICLE 1 DEFINITIONS		2
Section 1.1	Glossary	2
Section 1.2	General	2
Section 1.3	Condominium and Condominium Association	2
ARTICLE 2 SUBMISSION OF THE PROPERTY		3
Section 2.1	Submission	3
Section 2.2	Filing	3
ARTICLE 3 NAME OF CONDOMINIUM		3
Section 3.1	Name	3
Section 3.2	Use by Unit Owners and Others	3
ARTICLE 4 THE LAND		3
Section 4.1	Location	3
Section 4.2	Area	3
ARTICLE 5 THE BUILDING		4
Section 5.1	Location	4
Section 5.2	Building and Floors	4
Section 5.3	Units and Common Elements	4
Section 5.4	Construction Materials	4
ARTICLE 6 THE UNITS		4
Section 6.1	Unit Designations	4
Section 6.2	Location	4
Section 6.3	Unit Information	5
Section 6.4	Floor Plans and Diagrams	5
Section 6.5	Borders.	5
Section 6.6	Floor Area	5
Section 6.7	Included Areas	5
Section 6.8	Height	5
Section 6.9	Items Included in Unit	6
Section 6.10	Commercial Equipment	7
Section 6.11	Residential Equipment	7
Section 6.12	Attachment to Perimeters	8
ARTICLE 7 THE COMMON ELEMENTS AND ASSOCIATION'S PROPERTIES		8
Section 7.1	Common Elements	8
Section 7.2	Items of General Common Elements	9
Section 7.3	Items of Residential Limited Common Elements	11
Section 7.4	Association's Properties	14
Section 7.5	No Partition	14
Section 7.6	Decision as to the General Common Elements and the Association's General Properties	14
Section 7.7	Decisions as to the Residential Limited Common Elements and the Association's Residential Properties	14
Section 7.8	Declaration Governs	14
Section 7.9	Vaults	15
ARTICLE 8 THE COMMON INTERESTS		15
Section 8.1	Statutory Method Chosen	15
Section 8.2	Common Interests	15
ARTICLE 9 THE COMMON PROFITS AND COMMON EXPENSES		15
Section 9.1	Special Allocation and Apportionment	15

Caption		Page
Section 9.2	Budget of Condominium Operation	19
Section 9.3	Budget Requirement	19
Section 9.4	Budget Adoption Procedure	20
Section 9.5	Allocation or Apportionment Change	21
Section 9.6	Increase in General Common Charges	21
Section 9.7	Budget Reserves	22
Section 9.8	Budget Surplus and Reconciliation	23
Section 9.9	Prohibition	24
Section 9.10	Special Assessment	24
Section 9.11	Sponsor Veto Control	24
Section 9.12	Real Estate Taxes	25
ARTICLE 10 USES OF COMMON ELEMENTS, SIDEWALKS, VAULTS AND UNITS		26
Section 10.1	General Requirement	26
Section 10.2	General Prohibitions	26
Section 10.3	Common Use of Common Elements	27
Section 10.4	New Installations Affecting Common Elements, Sidewalks and Vault	27
Section 10.5	New Connections to Common Elements	28
Section 10.6	Residential Limited Common Elements	28
Section 10.7	Commercial Limited Common Elements	29
Section 10.8	Individual Limited Common Elements	29
Section 10.9	Sponsor's Rights to Use Common Elements and Immediately Adjacent Sidewalks	30
Section 10.10	Building's Walls and Immediately Adjacent Sidewalks	30
Section 10.11	Permitted Uses of Building Walls and Immediately Adjacent Sidewalks	31
Section 10.12	Permitted Uses of Vaults	32
Section 10.13	Permitted Uses and Occupancy of Sold Residential Units	32
Section 10.14	Required Ownership and Use of Sold Storage Units	34
Section 10.15	Permitted Uses of Unsold Units and Commercial Units	34
Section 10.16	Compliance with Laws	35
Section 10.17	Changes in Use of Unsold Units and Commercial Units	35
Section 10.18	Signs	35
Section 10.19	Limited Power of Attorney	36
Section 10.20	Cooperation of Board	36
Section 10.21	Construction of Units and Common Elements	37
ARTICLE 11 EASEMENTS, RIGHTS AND RESTRICTIONS AFFECTING THE COMMON ELEMENTS		37
Section 11.1	General Common Elements	37
Section 11.2	Residential Limited Common Elements	38
Section 11.3	Commercial Limited Common Elements	38
Section 11.4	Mutual Rights	38
Section 11.5	Individual Limited Common Elements	39
Section 11.6	Subordination	39
Section 11.7	Easements Affecting Common Elements for Ingress, Egress, Access and Use	39
Section 11.8	Emergency	40
Section 11.9	Existing Services	40
Section 11.10	Relocation from Vault	41
Section 11.11	Utility Easements and Rights	41

Caption — Page

Section 11.12 Access by Utility 41
Section 11.13 Requirements for Access By Utility 42
Section 11.14 Communications and Other Installation Easements and Rights. 42

ARTICLE 12 EASEMENTS, RIGHTS AND RESTRICTIONS AFFECTING UNITS AND COMMON ELEMENTS 44
Section 12.1 Easements Affecting All Units and Common Elements 44
Section 12.2 Reciprocal Easement Affecting the Commercial Units 46
Section 12.3 Reciprocal Easement Affecting the General Common Elements and Residential Space 46
Section 12.4 Easements of Support, Necessity, Utilities and Services 48
Section 12.5 Easements Allowing Encroachments 48
Section 12.6 Statutory Easements 48
Section 12.7 Sponsor Easements for Sponsor's Rights and Obligations 48
Section 12.8 Move-In and -Out Easements 50
Section 12.9 Egress Easements Affecting the Common Elements and Commercial Unit 2 50

ARTICLE 13 CHANGES IN UNITS AND COMMON ELEMENTS 51
Section 13.1 Changes 51
Section 13.2 Rights, Restrictions and Requirements 51

ARTICLE 14 MAINTENANCE, REPAIRS, ALTERATIONS AND OTHER WORK TO UNITS, COMMON ELEMENTS, ASSOCIATION'S PROPERTIES, SIDEWALKS AND VAULTS 56
Section 14.1 Duty to Maintain and Repair the Units and Individual Limited Common Elements 56
Section 14.2 Duty to Maintain and Repair the Common Elements and Association's Properties. 56
Section 14.3 Maintenance, Repairs, Alterations and Work to Units and Individual Limited Common Elements 57
Section 14.4 Maintenance, Repairs, Alterations and Work as to General Common Elements, Residential Limited Common Elements and Association's Properties 57
Section 14.5 Requisite Approvals for Board Repairs and Alterations 58
Section 14.6 Base Floors and Ceilings, Roofs and Building Walls 58
Section 14.7 Negligence, Misuse, Abuse or Neglect 59
Section 14.8 Cooperation 59
Section 14.9 Sidewalks 59
Section 14.10 Vaults 60

ARTICLE 15 WORK REQUIREMENTS 60
Section 15.1 Application 60
Section 15.2 Work Requirements 60
Section 15.3 Procedure to Obtain Approval 68
Section 15.4 30 Days to Approve or to Deny 69
Section 15.5 No Assumption of Liability or Approval of Suitability. 69
Section 15.6 Remedies 70
Section 15.7 Correction of Defects 70

ARTICLE 16 ACQUISITION OF UNITS BY CONDOMINIUM BOARD 70
Section 16.1 Authority for Acquisition 70
Section 16.2 Acquisition By Nominee or Designee of Board 71
Section 16.3 Authority for Dispositions 71

Caption Page

Section 16.4 Included in Association Residential Properties 71
Section 16.5 Allocation of Costs and Expenses 71

ARTICLE 17 POWER OF ATTORNEY FROM EACH UNIT OWNER 72
Section 17.1 Grant of Limited Power of Attorney 72
Section 17.2 Power of Substitution 74
Section 17.3 Durability 74
Section 17.4 Unit Owner's Confirmatory Power of Attorney 74
Section 17.5 Limited Power of Attorney Unimpaired 75

ARTICLE 18 PRIORITY OF LIEN FOR COMMON CHARGES 75
Section 18.1 Liens of Prior Recorded First Mortgage 75
Section 18.2 Liability for Unpaid Common Charges 75

ARTICLE 19 TERMINATION OF CONDOMINIUM 75
Section 19.1 Condominium Termination Events 75
Section 19.2 Partition 76

ARTICLE 20 COOPERATION AND FURTHER ASSURANCES 76
Section 20.1 Covenant to Cooperate 76
Section 20.2 Actions and Documents 76
Section 20.3 Rights and Obligations of Requesting Party 76
Section 20.4 Giving Assurances 77
Section 20.5 Giving Instruments and Documents 77
Section 20.6 Limited Power of Attorney. 78

ARTICLE 21 COVENANTS TO RUN WITH THE LAND; COMPLIANCE WITH CONDOMINIUM ACT 78
Section 21.1 Covenants Run With Land 78
Section 21.2 Binding Effect 78
Section 21.3 Acceptance, Adoption and Ratification 78
Section 21.4 Invalidity and Reformation 79
Section 21.5 Deemed Inclusion of Necessary Provisions 79
Section 21.6 Correction Declaration 79

ARTICLE 22 AMENDMENTS TO DECLARATION 79
Section 22.1 Application to Declaration and By-Laws 79
Section 22.2 Requirements 79
Section 22.3 Illustration 81
Section 22.4 Restrictions 81
Section 22.5 Acknowledgment and Recording 82
Section 22.6 Signatories 82
Section 22.7 Floor Plans 83
Section 22.8 Limited Power of Attorney 83
Section 22.9 Filing of Conformed Copy 83
Section 22.10 Filing with Secretary of State 83

ARTICLE 23 CONSENT OF SPONSOR 84
Section 23.1 Consent of Sponsor 84
Section 23.2 Consent of Unsold Unit Owner 84
Section 23.3 Supremacy of Sponsor 84
Section 23.4 Expiration 84

ARTICLE 24 SERVICE OF PROCESS 84
Section 24.1 Designation of Secretary of State 84
Section 24.2 Person and Address to Whom Process is To Be Sent 85

Caption — Page

Section 24.3 Foreign Entity ... 85

ARTICLE 25 INCORPORATION IN DECLARATION ... 86
Section 25.1 Incorporation of Exhibits, Floor Plans and Offering Plan ... 86

ARTICLE 26 CHANGES AND WAIVER ... 87
Section 26.1 Changes ... 87
Section 26.2 No Waiver of Consent ... 87
Section 26.3 Waiver in Writing ... 87
Section 26.4 No Inference of Waiver ... 87

ARTICLE 27 SEVERABILITY ... 87
Section 27.1 Valid and Enforceable ... 87
Section 27.2 Condominium Act is Paramount ... 87

ARTICLE 28 SPONSOR'S/COMMERCIAL OWNERS' RIGHTS ... 88
Section 28.1 Who May Exercise ... 88
Section 28.2 Other Unit Owners ... 88
Section 28.3 Covenants with Land Supplemented ... 88

ARTICLE 29 INDEMNIFICATION ... 89
Section 29.1 Indemnification Generally ... 89
Section 29.2 Contribution ... 89
Section 29.3 Application ... 89
Section 29.4 Notice of Claims or Lawsuit ... 89
Section 29.5 Selection of Attorneys and Settlement ... 89
Section 29.6 Cooperation of Indemnified Party ... 89
Section 29.7 Participation of Indemnified Party ... 90
Section 29.8 Allocation of Costs and Expenses ... 90

ARTICLE 30 MISCELLANEOUS: USAGES AND GRAMMAR ... 90
Section 30.1 Table of Contents and Captions ... 90
Section 30.2 References ... 90
Section 30.3 Grammar ... 90
Section 30.4 Notices ... 90
Section 30.5 Governing Law ... 90
Section 30.6 Day ... 90

ARTICLE 31 Continuing maintenance program ... 90
Section 31.1 Designated Landmark ... 90
Section 31.2 Restrictive Declaration ... 91
Section 31.3 Continuing Maintenance Program ... 91

ACKNOWLEDGMENT ... 92

EXHIBIT A: Description of Land ... EXH A-1
EXHIBIT B: Description of Units ... EXH B-1
EXHIBIT C: Glossary ... EXH C-1
EXHIBIT D: By-Laws of 130 West 30th Street Condominium ... EXH D-1
EXHIBIT E: Unit Owner's Power of Attorney ... EXH E-1
EXHIBIT F: Guidelines for Budget of General Operation ... EXH F-1
EXHIBIT G: Diagrams of Rooms and Areas of Common Elements ... EXH G-1

DECLARATION

OF

CONDOMINIUM

(Pursuant to Article 9-B of the Real
Property Law of the State of New York)

130 West 30th, LLC, the Declarant and Sponsor, having a business address (and for notices) at c/o H. Justin Realty Services, LLC, 115 West 30th Street, Suite 203, New York, New York 10001, does hereby declare, reserve and grant as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 **Glossary.** The words frequently used in this Declaration (whether uppercase or lowercase) are defined in EXHIBIT C: Glossary to this Declaration and apply wherever these words appear in this Declaration or the EXHIBITS to this Declaration (that is, EXHIBIT A: Description of the Land; EXHIBIT B: Description of the Units; EXHIBIT D: By-Laws and Rules and Regulations appended to the By-Laws; EXHIBIT E: Unit Owner's Power of Attorney; EXHIBIT F: Guidelines for Budget of General Operation ("**Budget Guidelines**"); and EXHIBIT G: Diagrams of Rooms and Areas of Common Elements), regardless of whether such words are expressly stated to be defined in said EXHIBIT C, unless the context in which such words are used shall otherwise require. Any elevator numbers, elevator shaft numbers, elevator machine room numbers, shaft numbers, public stair numbers, vault numbers and other room numbers or designations correspond to those set forth on the Floor Plans.

Section 1.2 **General.** The meanings stated for the words within quotation marks in any provision of this Declaration or the EXHIBITS to this Declaration (including EXHIBIT C: Glossary), whether uppercase or lowercase, apply wherever these words appear in this Declaration or such EXHIBITS, unless the context in which they are used shall otherwise require. All references in this Declaration, the By-Laws, and the Rules and Regulations to: (a) Declarant or Sponsor shall mean and include the following with respect to each Unit owned by it: (a-1) an Unsold Unit Owner; (a-2) an Involuntary Transferee of Sponsor or an Unsold Unit Owner; and (a-3) a Successor in Interest to Sponsor, an Unsold Unit Owner or an Involuntary Transferee; or (b) a Unit Owner shall mean the Person who owns a Unit at the time in question, but only while such Person owns the Unit.

Section 1.3 **Condominium and Condominium Association.** The term "**Condominium**" means the Property submitted to the provisions of the Condominium Act (Article 9-B of the Real Property Law of the State of New York). The term "**Condominium Association**" or "**Association**" refers to the unincorporated association of Unit Owners. The membership of the Association at all times shall consist exclusively of all the Unit Owners or, following the withdrawal or termination of the Condominium, all former Unit Owners entitled to share the net proceeds of any partition sale or award in a Taking by a Governmental Authority in condemnation or by eminent domain, as applicable.

ARTICLE 2
SUBMISSION OF THE PROPERTY

Section 2.1 **Submission.** The Land which is the subject of this Declaration is identified on the first (cover) page of this Declaration and is more particularly identified in EXHIBIT A hereto. The Land together with the Building and other improvements erected on and under the Land known as and by the street address 130 West 30th Street for the Residential and Storage Units (also known as 128-134 West 30th Street), in the Borough of Manhattan, in the City, County and State of New York are hereafter collectively called the **"Property"**. Declarant (i.e., Sponsor) hereby submits the Property to the provisions of Article 9-B of the Real Property Law of the State of New York (a/k/a Condominium Act) and, pursuant thereto, does hereby establish a regime for condominium ownership of the Property as more particularly set forth herein and in the By-Laws. The Property being submitted hereby to condominium ownership also includes all easements, rights and appurtenances belonging thereto, and all other property (real, personal or mixed) used or intended for use in connection with the Land or Building.

Section 2.2 **Filing.** Declarant shall, at its sole Cost and Expense and with reasonable promptness following the recording hereof, file this Declaration with the Department of State of the State of New York in accordance with Section 339-s of the Condominium Act and the rules, regulations or requirements of said Department of State.

ARTICLE 3

NAME OF CONDOMINIUM

Section 3.1 **Name.** The Condominium shall be known as 130 West 30th Street Condominium and shall not be changed or modified without the prior written consent or approval of Sponsor while Sponsor owns any Unsold Unit.

Section 3.2 **Use by Unit Owners and Others.** Declarant hereby reserves for itself as to any Unit owned by Declarant and to each Owner of a Unit (including an Unsold Unit and a Commercial Unit) and to those tenants and occupants of each such Unit who are so expressly authorized in writing by its Owner (including the Declarant or an Unsold Unit Owner or a Commercial Unit Owner), the right, Freely and Without Consent, Payment or Restriction, to use the name of the Condominium in connection with the Use and Enjoyment of their respective Units.

ARTICLE 4

THE LAND

Section 4.1 **Location.** The Land is located in the Borough of Manhattan in the City, County and State of New York and is more particularly described in EXHIBIT A annexed hereto.

Section 4.2 **Area.** The Land is owned by Declarant in fee simple absolute and has an area of approximately 8,154.77 square feet.

ARTICLE 5

THE BUILDING

Section 5.1 Location. The Building is located on the Land, which lies in Section 3, Block 805, in Lot F/K/A Lot 81 and N/K/A Lots 1001 to 1065 on the Tax Map of the Real Property Assessment Department of the City, State and County of New York.

Section 5.2 Building and Floors. The Building is located on the Land and contains a total of twenty-two (22) full construction levels plus a mezzanine level (between the ground floor and floor 2), consisting of a subcellar, a cellar, twenty (20) full construction levels above the cellar and the main Roof. Construction levels 1 to 19 above the cellar will be numbered and referred to in the Condominium Documents, unless the context otherwise requires, as floors 1 (ground or lobby) to 12 and 14 to 20. There is no floor designated 13. Floor 21 (i.e., the twentieth (20th) construction level above the cellar) houses Building mechanical Equipment. The mezzanine level is located between floors 1 and 2, portions of which are included in Commercial Units 1 and 2. There are also separate public stairs and elevator Equipment bulkheads, and a mechanical room, on the main Roof, each with its own Roof.

Section 5.3 Units and Common Elements. Initially, the Building contains a total of 65 condominium Units and most of the Common Elements. Those Common Elements not in or on the Building include portions of the Land and the improvements thereon, apart from the portions of the Land occupied by the Units, which are included in and part of the Units.

Section 5.4 Construction Materials. The Building construction is classified as fireproof. The principal construction materials of the Building are as follows. The structural foundation walls are concrete and brick masonry. The main Building structure is masonry brick facades, concrete floors and steel beams and columns. The steel is encased in concrete. The main 30th Street façade is highly articulated with brick patterning, terra cotta spandrel panels, bands of terra cotta friezes, and iron work. Windows, doors and frames of Residential Units are of newly erected aluminum with thermal, insulated glass. Parapets are made of brick with cast concrete/cement copings. Terrace surfaces are made of concrete pavers. The Building entrance at 130 West 30th Street is made of metal and glass panels. The main Roof is made of built-up asphalt. The bulkheads on the main roof are made of masonry walls and concrete floors. The public stairs are made of steel with concrete treads and steel railings.

ARTICLE 6

THE UNITS

Section 6.1 Unit Designations. The 65 Units are designated as follows: 45 Units are designated Residential Units, 16 Units are designated Storage Units and 4 Units are designated Commercial Units.

Section 6.2 Location. The Residential Units are located on portions of floors 2 through 20. The Storage Units are located on portions of floors 2 through 9. The Commercial Units are located on portions of the subcellar, cellar, floor 1, and floor 1 mezzanine level.

Section 6.3 **Unit Information.** EXHIBIT B annexed hereto sets forth the following data with respect to each Unit necessary for its proper identification: (a) its Unit designation; (b) its tax lot number; (c) its approximate location in the Building; (d) its approximate floor area and (in the case of specified Residential Units) its appurtenant Terrace or Planting Terrace; (e) (in the case of Residential Units) the number of rooms and baths; (f) its approximate height; (g) the portions of the Common Elements to which the Unit has immediate access; and (h) its appurtenant Common Interest.

Section 6.4 **Floor Plans and Diagrams.** A more precise location of each Unit within the Building is shown on the Floor Plans of the Condominium. The Diagrams of Rooms and Areas of Common Elements (EXHIBIT G hereto) also show the location of Units on each floor.

Section 6.5 **Borders.** The indoor area of each Unit consists of the area bordered by the Building's façade or exterior walls ("**Building Walls**"), the interior boundary walls or partitions separating a Unit from another Unit or a portion of the Common Elements ("**Party Walls**"), and the structural concrete floors and ceilings (or other construction material) that enclose the Unit (hereafter, "**Base Floors**" and "**Base Ceilings**", respectively). The term "Building Walls" also includes all heads, jambs and exterior sills. The term "Base Floors" also includes any subflooring, but not any wood flooring, tiles, carpeting or other flooring material thereover, which are part of the Unit. The Building Walls, Party Walls, Base Floors and Base Ceilings are part of the Residential Limited Common Elements and not part of a Unit, except that the portions of the Building Walls that enclose a Commercial Unit, and the half portion of a Party Wall, Base Floor or Base Ceiling that encloses and is nearest to a Commercial Unit, are part of such Commercial Unit. The Storefronts (including Storefront Windows and Unit entrance) of a Commercial Unit and the Roof (below floor 2) enclosing a portion of a Commercial Unit, are also part of such Commercial Unit.

Section 6.6 **Floor Area.** The approximate indoor floor area of each Unit has been measured from the exterior side of the Building Walls or glass windows at the Building line and/or Property line enclosing the Unit, or from the midpoint of the interior Party Walls separating the Unit from another Unit, or from the public side of the interior Party Walls separating the Unit from public corridors or public stairs, or from the mechanical space side of interior Party Walls separating the Unit from an elevator or other mechanical equipment space or any other Common Elements. Columns and mechanical pipes and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit.

Section 6.7 **Included Areas.** The floor area occupied by any Common Elements within a Unit (such as Building Walls, vents, chase walls or areas, conduits, shafts, pipes and any Structural Components) have been included in the computation of the floor area of the Unit, which is one of the factors used to determine the Common Interest appurtenant to such Unit, but such Common Elements are not part of the Unit. In addition, the Terrace or Planting Terrace appurtenant to a specified Residential Unit is part of such Unit and a portion of the approximate floor area of such Terrace or Planting Terrace (relative to its value and the value of the indoor floor area of said Unit) has been included in the computation of such Unit's floor area and as one of the factors used to determine the Common Interest to such Unit.

Section 6.8 **Height.** Measured vertically, each Unit consists of the volume from the top of the Base Floor (located under the finished flooring and sub-flooring materials) to the underside of the Base Ceiling above (located above the finished ceiling material).

Section 6.9 Items Included in Unit. The following items are part of, and for the exclusive use of, each Unit or (where indicated) only a Commercial Unit and the property of the Unit Owner to the extent applicable, whether existing at the date of recording this Declaration or the date of conveyance of the Unit by Declarant (and replacements thereof), regardless of their location in the Unit or elsewhere on, under or adjacent to the Building:

(a) Entrance: the Unit entrance of a Unit, the doors leading to a Terrace and the street entrance doors to a Commercial Unit (including their frames, hinges, knobs, locks and saddles) are part of such Unit;

(b) Terrace or Planting Terrace: the Terrace or Planting Terrace appurtenant to a specified Residential Unit is part of such Unit (the Terrace or Planting Terrace is the pavers or other construction material on top of a Roof, but does not include the Roof or the Roof Structures supporting, in and enclosing the Terrace or Planting Terrace, which are part of the Residential Limited Common Elements);

(c) Windows and Interior Sills: all windows and interior window sills (including their frames, glass, panes, latches and mechanisms) of a Unit and all window shades, blinds and all other treatments thereon, are part of such Unit;

(d) Decorations: all Decorations of the interior of a Unit are part of such Unit;

(e) Commercial Unit: each Commercial Unit includes the following (if and where applicable) all Storefronts (which include Storefront Windows) of a Commercial Unit, the portion of the Building Walls enclosing a Commercial Unit to a plane below the exterior sill at floor 2, together with any gates, security alarm and other devices protecting the Storefronts and street entrance to a Commercial Unit, and any awnings, canopies and Signs immediately above or abutting the Storefronts or Unit entrance; the half portion of the Party Walls, Base Floors and Base Ceilings enclosing and nearest to a Commercial Unit; the portion of a Base Floor or Base Ceiling totally within a Commercial Unit; the Roof below floor 2 that encloses a portion of Commercial Unit 1 or Commercial Unit 2 is part of each such Commercial Unit together with its Roof Structures and the volume of unimproved air space above same; the portion of the rear yard adjacent to, and running along the width of, a Commercial Unit;

(f) Kitchen: all Unit kitchen Installations, including sink, plumbing fixtures, cabinets and countertops, are part of the Unit;

(g) Bathrooms: all Unit bathroom Installations, including sink, plumbing fixtures, cabinet, commode and bathtub and/or shower, are part of the Unit;

(h) Appliances: all Unit appliances, including range/oven, microwave oven, dishwasher, clothes washer and dryer, refrigerator/freezer, laundry washer and dryer, and individual heat pump unit and related consoles and other Installations are all part of the Unit;

(i) Interior Doors and Walls: all doors (including their frames, saddles and hardware) and walls and partitions within a Unit are part of the Unit;

(j) Finishes and Coverings: all finishes and coverings (if any) of the Unit's walls, Base Floors and Base Ceilings are part of the Unit, including (if and as applicable): (j-1) (as to walls and Base Ceilings) plaster, paint, wallpaper, wood panels, fabric and other finishes

and coverings, as well as baseboards and moldings; and (j-2) (as to Base Floors) carpet, wood, marble, granite, stone, vinyl, ceramic and other tile material and all other floor coverings;

(k) Independent Systems: the following independent or individual Systems are part of each Unit, if and where applicable (whether exposed or concealed behind walls or partitions): all individual electric, gas, heating, ventilation, air conditioning, hot water, intercom, lighting, sprinkler, plumbing, mechanical and any and all other independent Systems, or the portions of any HVAC/Mechanical/Utility Building Systems that serve only the Unit, whether exposed or concealed behind walls or partitions, or located elsewhere in or on the Building, including (if and as applicable): (k-1) individual electric and/or gas meters or submeters serving only the Unit; (k-2) individual lighting and electrical fixtures, including wires, outlets and panel and circuit breakers and/or fuses and related electrical Installations; (k-3) individual pipes, valves, faucets, spouts and related plumbing fixtures and Installations, (k-4) individual sprinkler heads, distribution pipes and related sprinkler Installations; (k-5) individual ducts, exhaust fans and other related ventilation Installations serving exclusively the Unit; (k-6) individual telephone, cable television and intercom Installations, including all lines, wires, jacks, outlets and related Equipment serving exclusively the Unit; (k-7) individual smoke detectors serving exclusively the Unit; (k-8) individual heat pump console units; and (k-9) heating, air conditioning and hot water Equipment serving exclusively a Commercial Unit (if any) and their related Installations; but any meters (including for electric, gas or water), risers, distribution lines, ducts, conduits, pipes or wires, or other Installations, or portions of a System, that serve more than one (1) Unit or any portion of the Common Elements are part of the Common Elements and not part of a Unit;

(l) Vault #1: the license or right to use Vault #1 and its sidewalk hatch are included in Commercial Unit #1;

(m) General: all other Equipment and Installations that now exist or are hereafter installed for the exclusive use, service or benefit of a Unit are included in, and part of, the Unit, unless expressly stated herein to be part of the Common Elements, including: (l-1) Decorations of any kind whatsoever (including furniture, furnishings and household items); and (l-2) business and trade fixtures; and

(n) Land: the portions of the Land occupied by each Unit are part of, and included in, such Unit (all other portions of the Land are part of the Common Elements).

Section 6.10 Commercial Equipment. The Equipment and Installations (wherever located) that serve or benefit exclusively a Commercial Unit ("**Commercial Equipment**") and none of the Residential or Storage Units or the Common Elements, are part of such Commercial Unit and include the components of all Systems internal to a Commercial Unit and the portions of all Building-wide Systems that serve exclusively a Commercial Unit.

Section 6.11 Residential Equipment. The Equipment and Installations (wherever located) that serve or benefit more than one (1) Residential or Storage Unit or the Residential Limited Common Elements, but none of the Commercial Units or any portion of the General Common Elements, are part of the Residential Limited Common Elements and include the components of all Systems that serve exclusively more than one (1) Residential and/or Storage Unit or the Residential Limited Common Elements (all such Equipment and Installations being

herein called collectively the "**Residential Equipment**"). The individual Systems, or portions of Building-wide Systems, that serve only one (1) Residential or Storage Unit are part of such Unit.

Section 6.12 **Attachment to Perimeters.** All Equipment and Installations now or hereafter installed in a Unit may be secured to the perimeter Party Walls, Base Floors and Base Ceilings enclosing such Unit, or the Base Floors or Base Ceilings within a Commercial Unit, by nails, screws, bolts or other devices, provided: (a) the structural integrity of the Unit or another Unit or the Building is not impaired or compromised; (b) any visible, rentable or commercially useable or habitable space of another Unit is not penetrated; and (c) the applicable Work Requirements set forth in Section 15.2 below and the requirements of the By-Laws are followed (if and to the extent applicable).

ARTICLE 7

THE COMMON ELEMENTS AND ASSOCIATION'S PROPERTIES

Section 7.1 **Common Elements**. The portions of the Property for the common use, service or benefit of two (2) or more Units are called the "**Common Elements**" and generally consist of the following: (a) the portions of the Land occupied by the Common Elements are part of the Common Elements; and (b) all spaces or areas of the Property, and the Equipment and Installations in, on, above, under or adjacent thereto, which serve or benefit two (2) or more Units or the Common Elements or necessary or convenient to their existence, Maintenance and safety, or normally in common use, unless expressly stated to be part of a Unit. The Unit Owners own, in common, a proportionate undivided interest in fee simple absolute in the Common Elements ("**Common Interest**").

Those Common Elements that are for the use, service and benefit in common by all Units are herein called the **"General Common Elements"** (see Section 7.2 below for a list thereof). Those Common Elements that are limited or restricted completely or primarily to the use, service and benefit by one (1) or more specified Units to the exclusion or substantial exclusion of all other Units are herein called the **"Limited Common Elements"**.

Those Limited Common Elements that are limited or restricted completely or primarily for the exclusive or substantially exclusive use, service and/or benefit in common by only the Residential and Storage Units are herein called the "**Residential Limited Common Elements**" (see Section 7.3 below for a list thereof). Those Limited Common Elements that (if established from portions of a Commercial Unit following its subdivision into two or more Commercial Units) will be limited or restricted completely or primarily for the exclusive or substantially exclusive use, service and/or benefit in common by only such Commercial Units are herein called the "**Commercial Limited Common Elements**". A Limited Common Element that (if established) will be limited or restricted completely or primarily for the exclusive or substantially exclusive use, service and/or benefit by a specified Unit is herein called an "**Individual Limited Common Element**" and, if such Unit is a Residential Unit or a Commercial Unit, same is herein called an "**Individual Residential Limited Common Element**" or an "**Individual Commercial Limited Common Element**", respectively.

However, such exclusive or substantially exclusive use of all such Limited Common Elements (i.e., the Residential or Commercial Limited Common Elements or Individual Limited Common

Elements) and the common use of the General Common Elements are subject and subordinate to: (a) compliance with this Declaration and the By-Laws, (b) the exclusive right of the Condominium Board to determine the use and Disposition of the Common Elements and to establish new and additional Rules and Regulations and to amend the Rules and Regulations from time to time governing the use and Disposition of the Common Elements by the applicable Owners and Permitted Tenants/Occupants/Invitees of Sold Units, but not governing the use and Disposition thereof by Unsold Units or the Commercial Units (the initial Rules and Regulations are attached to, and part of, the By-Laws); and (c) certain restrictions, as well as certain rights and easements reserved to Sponsor and granted to the Condominium Board, Unsold Unit Owners and the Commercial Unit Owners, and their respective Permitted Tenants/Occupants/ Invitees, and other Persons, all as and to the extent set forth elsewhere in this Declaration, the By-Laws, the Plan and the Condominium Act. These rights and easements in favor of Sponsor and the Commercial Unit Owners include in particular (but are not limited to) the following:

(a) a right and easement to use non-public portions of the Residential Limited Common Elements and General Common Elements (including the rooms in the subcellar or cellar housing the boiler, mechanical and meter rooms, the chase walls, the main Roof and its appurtenant Roof Structures, the public stairs, and the bulkheads) for the following purposes: (a-1) to house Commercial Equipment and related Installations now or hereafter serving one (1) or more Commercial Units wherever located, including all replacements of existing Commercial Equipment and Installations and additions thereto; and (a-2) to erect and install new Equipment (including Communications Equipment and Other Installations), all as provided more fully in Articles 10 and 11 below; and

(b) a right and easement of access to, from, through, across and on portions of the Residential Limited Common Elements and the General Common Elements (including the 130 West 30th Street Public Areas, the elevators, the service lobby, the public corridors, the public stairs, the main Roof and other public or common areas) in order to Maintain, Repair, Alter and otherwise Operate said Commercial Equipment and Installations (and all such replacements thereof and additions thereto).

The Sponsor and the Commercial Unit Owners may exercise all of the foregoing rights and easements Freely and Without Consent, Payment or Restriction, other than the requirement to comply with the Installation Requirements set forth in Section 10.4 below and the applicable Work Requirements set forth in Section 15.2 below.

Section 7.2 Items of General Common Elements. Subject and subordinate to a Description Change of Units (as provided in Section 13.1 below), the General Common Elements consist of all portions of the Property designated on the Floor Plans and EXHIBIT G to this Declaration as General Common Elements and include the following areas, Equipment and Installations now existing or hereafter installed (including replacements thereof), whether or not so designated on the Floor Plans or said EXHIBIT G, and regardless of their location in, bordering or adjacent to a Unit:

(a) Land: the General Common Elements include the Land, other than the portions thereof occupied by the Units, which are included in and are part of the Units;

(b) Certain Structural Components: the General Common Elements include the following portions of the Building's Structural Components (if and to the extent existing): the foundation, the foundation walls, the footings, the pilings, the structural columns, beams, supports and girders;

(c) Subcellar: the General Common Elements on the subcellar level include: (c-1) the mechanical room #1 and the Equipment and Installations located therein that serve or all of a portion of the Residential Space and one (1) or more Commercial Units; (c-2) the public stair #3; and (c-3) the public corridor;

(d) Cellar: the General Common Elements on the cellar level include: (d-1) the gas/water room together with the meters serving all or a portion of both the Residential Space and one (1) or more Commercial Units, but not any meters or submeters serving exclusively the Residential Space or a Commercial Unit, which are part of the Residential Limited Common Elements or such Commercial Unit, respectively; (d-2) the electrical room together with the meter(s) serving all or a portion of both the Residential Space and one (1) or more Commercial Units, or serving the General Common Elements, but not any meters or submeters serving exclusively the Residential Limited Common Elements or a Unit, which are part of the Residential Limited Common Elements or such Unit, respectively; (d-3) public stairs #3 and 4 and the public corridors adjacent to the foregoing areas; and (d-4) the license or right to use Vault #2 and its sidewalk hatch, which Vault houses a portion of the gas/water meter room;

(e) Floor #1: the General Common Elements on Floor 1 include: (e-1) the exterior vestibule leading to the service lobby; (e-2) the service lobby; (e-3) the landings of public stairs #2, 3 and 4; and (e-4) the public corridor adjacent to public stairs #1 and 4;

(f) Floor 21 (Mechanical Level): the General Common Elements on floor 21 (mechanical level) include the mechanical room together with the sprinkler water reserve tank, the standpipe water reserve tank, their related pumps and other Equipment and related Installations housed therein that serve all or a portion of both the Residential Space and one (1) or more Commercial Units;

(g) Walls, Floors and Ceilings: the General Common Elements include: (g-1) the walls enclosing or within the rooms or areas comprising the General Common Elements, but exclude the half portion of a Party Wall that also encloses and is nearest to the Residential Limited Common Elements or a Commercial Unit (which half portion is part of the Residential Limited Common Elements or such Commercial Unit, respectively); and (g-2) the Base Floors and Base Ceilings enclosing the General Common Elements, but exclude the half portion of a Base Floor or Base Ceiling that also encloses and is nearest to the Residential Limited Common Elements or a Commercial Unit, which half portion is part of the Residential Limited Common Elements or such Commercial Unit, respectively);

(h) Equipment and Installations: the General Common Elements include the following: (h-1) the lighting Systems, doors (including their hardware) and Signage serving the rooms and the portions of the public stairs included in the General Common Elements; (h-2) the main feeder lines for utilities serving all or a portion of both the Residential Space and one (1) or more Commercial Units, (e.g., if only to the extent applicable, water, gas, electric, sewer, storm, drainage and telephone); (h-3) the sprinkler alarm System; (h-4) the portions of the sprinkler System (e.g., if and to the extent applicable, sprinkler and drain risers, sectional valves, tamper switches, water flow alarms, drain/test corrections and sprinkler heads) serving the General Common Elements or all or a portion of both the Residential Space and one (1) or more Commercial Units, but excludes the portions of the sprinkler System (e.g., sprinkler heads, branch or distribution piping and risers) that serve exclusively the Residential Limited Common

Elements or a Unit, which are part of the Residential Limited Common Elements or such Unit, respectively; (h-5) the portions of the standpipe System serving the General Common Elements or all or a portion of both the Residential Space and one (1) or more Commercial Units, but exclude those portions of the standpipe System (e.g., hoses, nozzles, racks and risers) that serve exclusively the Residential Space or a Commercial Unit, which are part of the Residential Limited Common Elements or such Commercial Unit, respectively; and (h-6) generally, the portions of any other utility Equipment and Installation that serve the General Common Elements or all or a portion of both the Residential Space and one (1) or more Commercial Units, but exclude those portions thereof that serve exclusively the Residential Limited Common Elements or a Unit, which are part of the Residential Limited Common Elements or such Unit, respectively;

(i) Shafts, Ducts, Conduits and Chases: the General Common Elements include those shafts, ducts, conduits and chases that house Equipment or Installations comprising or serving the General Common Elements or all or a portion of both the Residential Space and one (1) or more Commercial Units;

(j) Decorations and Systems: generally, the General Common Elements include all Decorations and System or portions of Systems (including HVAC/Mechanical/Utility Building Systems), wherever located, if and to the extent same serve exclusively or primarily the rooms, areas, spaces and Equipment comprising the General Common Elements or all or a portion of both the Residential Space and one (1) or more Commercial Units; and

(k) Omnibus: overall, the General Common Elements include all portions of the Building and its Systems in, under, above or adjacent to the Building or the Land (other than those portions expressly stated to be part of a Unit or the Residential Limited Common Elements) that are either: (k-1) for the common use, service or benefit of all or a portion of both the Residential Space and one (1) ore more Commercial Units; or (k-2) necessary or convenient for the Use and Enjoyment of the Property as a whole or all or a portion of both the Residential Space and one (1) or more Commercial Units, and are not expressly stated to be part of a Unit or the Residential Limited Common Elements.

Section 7.3 Items of Residential Limited Common Elements. Subject and subordinate to a Description Change of the Residential or Storage Units and Residential Limited Common Elements, the Residential Limited Common Elements consist of all portions of the Property designated on the Floor Plans and EXHIBIT G to this Declaration as Residential Limited Common Elements and include the following areas, Equipment and Systems now existing or hereafter installed (including replacements thereof), whether or not so designated on the Floor Plans or said EXHIBIT G, and regardless of their location in, bordering or adjacent to a Unit:

(a) Certain Structural Components. The Residential Limited Common Elements include the following: (a-1) those portions of the Building Walls that enclose the Residential Space, but exclude: (a-1.1) those portions of the Building Walls (at a horizontal plane immediately below the floor 2 sills) that enclose the General Common Elements (e.g., the entrance to the exterior vestibule and service lobby) or a Commercial Unit, which are part of the General Common Elements or such Commercial Unit, respectively; (a-1.2) the windows of Residential Units (which are part of such Units); and (a-1.3) the Storefronts of, and entrances to, Commercial Units 1 and 2 (which are part of such Units); and (a-2) the Base Floors and Base Ceilings enclosing the Residential

Space, but exclude: (a-2.1) the half portion of a Base Floor or Base Ceiling that also encloses and is nearest to a General Common Element or Commercial Unit, which half portion is part of the General Common Elements or such Commercial Unit, respectively; and (a-2.2) the paint, plaster, flooring, covering and Decorations on the Unit side of a Base Floor or Base Ceiling, which are part of such Unit;

(b) Roofs: the Residential Limited Common Elements include the main Roof, the set-back Roofs enclosing the Residential Space and the Roofs and skylight enclosing the bulkheads (each Roof consists of a concrete slab or other construction material, asphalt or other roofing material, insulation, membrane, flashing and supports, if any), together with their related Roof Structures; but exclude: (b-1) the pavers, tiles or other protective flooring or covering thereon, which constitutes the Terrace or Planting Terrace appurtenant to, and part of, a specified Residential Unit; and (b-2) the Roof that encloses a portion of, and is part of, Commercial Unit 1 or 2;

(c) Party Walls and Partitions: the Residential Limited Common Elements include: (c-1) the Party Walls separating two (2) Residential Units or two (2) Storage Units; (c-2) the Party Walls separating a Residential Limited Common Element and a Residential or Storage Unit; (c-3) (in the case of a Party Wall separating a Residential Limited Common Element and a Commercial Unit or General Common Element) the half portion of such Party Wall that is nearest to such Residential Limited Common Element; but exclude the paint, plaster, wall covering and other Decorations on the Unit side or General Common Element side of Party Walls, which are part of such Unit or General Common Elements, respectively; and (c-4) the partitions within rooms and areas comprising part of the Residential Limited Common Elements;

(d) Subcellar: the Residential Limited Common Elements on the subcellar level include: (d-1) the boiler room ; (d-2) mechanical room #2; and (d-3) the boiler, the Equipment and other Installations located in the foregoing rooms that serve exclusively the Residential Space;

(e) Cellar: the Residential Limited Common Elements include on the cellar level the refuse compactor room together with the refuse compactor and its related Installations;

(f) Floor 1: the Residential Limited Common Elements on floor 1 include: (f-1) the 130 West 30th Street Building entrance, vestibule and lobby (collectively, "**130 West 30th Street Public Areas**"); (f-2) the lavatory adjacent to public stair #3; and (f-3) the elevator shafts;

(g) Floor 1 Mezzanine: The Residential Limited Common Elements on floor 1 mezzanine include: (g-1) public stairs #1 and 2; (g-2) the exit corridor leading to public stair #2; (g-3) the open space above the residential lobby; (g-4) shafts and chases; and (g-5) the elevator shafts;

(h) Floors 2 to 19: the Residential Limited Common Elements on floors 2 to 19 include (if and to the extent applicable): (h-1) the elevator lobbies; (h-2) the public corridors; (h-3) public stairs #1 and 2; (h-4) the refuse chute room; (h-5) the mechanical room; (h-6) shafts and chases; (h-7) the set back Roofs; and (h-8) the elevator shafts;

(i) Floor 20: the Residential Limited Common Elements on floor 20 include: (i-1) public stairs # 1 and 2 and the bulkheads enclosing them; (i-2) the main Roof; (i-3) the storage room; (i-4) the elevator shafts; and (i-5) shafts and chases;

(j) Floor 21: (Mechanical Level): the Residential Limited Common Elements on floor 21 (mechanical level) include: (j-1) the elevator machine room; and (j-2) the Roofs and skylight of bulkheads;

(k) Equipment and Installations: the Residential Limited Common Elements include: (k-1) all meters and submeters serving exclusively or primarily the Residential Limited Common Elements or two (2) or more Residential or Storage Units, but exclude the individual meter or submeter serving only one (1) Unit (which is part of such Unit); (k-2) the portions of the sprinkler System (e.g., sprinkler and drain risers, sectional valves, tamper switches, water flow alarms, drain/test connections and sprinkler heads) serving the Residential Limited Common Elements and more than one (1) Residential Unit or Storage Unit, but exclude branch and distribution lines and sprinkler heads serving exclusively one (1) such Unit (which are part of such Unit); and (k-3) the elevators together with their Equipment, Installations shafts, pits and other spaces occupied by same;

(l) Equipment and Installations Generally: the Residential Limited Common Elements include all Equipment and Installations of Building Systems serving exclusively or primarily the Residential Space, including those portions of the HVAC/Mechanical/Utility Building Systems, common meters or submeters (for electric, gas and water), public area lighting doors, Signage and other items serving exclusively the Residential Space, but excluding those portions thereof that serve exclusively one (1) Unit (such as individual heat pump units for heating and air conditioning, bathroom and kitchen fixtures, individual Unit meters or submeters, sprinkler heads, branch piping, electric wiring, receptacles and other individual electrical devices and plumbing fixtures exclusively serving one (1) Unit, which are part of such Unit) or are expressly stated to be part of a Unit or the General Common Elements;

(m) Shafts, Ducts, Conduits and Chases: the Residential Limited Common Elements include those shafts, ducts, conduits and chases that house Equipment or Installations comprising the Residential Limited Common Elements or serving only the Residential Space (and more than one (1) Residential or Storage Unit);

(n) Decorations and Systems: generally, the Residential Limited Common Elements include all Decorations and those Systems or portions of Systems (including HVAC/Mechanical/Utility Building Systems), wherever located, serving exclusively or primarily the rooms, areas, spaces and Equipment comprising the Residential Limited Common Elements; and

(o) Omnibus: overall, the Residential Limited Common Elements include all other portions of the Building and its Systems in, under, above or adjacent to the Building or Land (other than those expressly stated herein to be part of a Unit or the General Common Elements) that are either: (o-1) for the exclusive or substantially exclusive Use and Enjoyment of only the Residential Space; or (o-2) necessary or convenient for the Use and Enjoyment of only the Residential Space.

Section 7.4 Association's Properties. All assets owned, leased, licensed or otherwise held from time to time by the Condominium Board on behalf of the Condominium Association, whether real or personal property, chattel real, intangibles or otherwise, constitute, and are herein called, the **"Association's Properties".** Those assets of the Association's Properties that will be owned, leased or held by the Condominium Board on behalf and for the account of only the Residential and Storage Unit Owners (e.g., the Units purchased or leased pursuant to the Board's "Right of First Refusal", the monies collected from payments of the Residential Common Charges and payments to the Working Capital Fund, and any interest or investment income earned on all such monies) are herein called the **"Association's Residential Properties".** All other assets comprising the Association's Properties will be owned, leased or held by the Condominium Board on behalf and for the account of all Unit Owners (e.g., the monies collected from payments of the General Common Charges and any interest or investment income earned thereon) and are herein called the **"Association's General Properties".** All references herein to the Condominium Board shall include any nominee or designee, incorporated otherwise, organized by the Board to act on behalf of the Condominium Association. Unless otherwise expressly indicated, the references in this Declaration and the By-Laws to the rights, requirements and obligations with respect to any Disposition of: (a) the Common Elements shall apply to the Association's Properties; (b) the General Common Elements shall apply to the Association's General Properties; or (c) the Residential Limited Common Elements shall apply to the Association's Residential Properties.

Section 7.5 No Partition. The Common Elements and Association's Properties 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 19 hereof.

Section 7.6 Decision as to the General Common Elements and the Association's General Properties. Subject and subordinate to the rights and easements reserved to Sponsor and granted to Unsold Unit Owners, the Commercial Unit Owners and other Persons in the Condominium Documents, the Plan and the Condominium Act (which are superior and paramount over those granted to the Condominium Board and Sold Unit Owners), all decisions concerning the Use and Enjoyment of the General Common Elements and the Association's General Properties shall be made by a majority of those Residential and Commercial Board Members attending a duly constituted Board meeting at which a quorum is present. Any dispute under this Section 7.7 shall be resolved by arbitration in accordance with the By-Laws.

Section 7.7 Decisions as to the Residential Limited Common Elements and the Association's Residential Properties. Subject and subordinate to the rights and easements reserved to Sponsor and granted to Unsold Unit Owners, the Commercial Unit Owners and other Persons in the Condominium Documents, the Plan and the Condominium Act (which are superior and paramount over those granted to the Condominium Board and Sold Unit Owners), all decisions concerning the Use and Enjoyment of: (a) the Residential Limited Common Elements and the Association's Residential Properties shall be made by a majority of those Residential Board Members attending a duly constituted meeting of the Residential Board Members at which a quorum is present.

Section 7.8 Declaration Governs. In the event of any conflict between the description of the Common Elements set forth above and the Floor Plans or EXHIBIT G hereto, the description set forth in this Declaration shall be paramount, govern and prevail, except the Floor Plans and said EXHIBIT G shall be paramount, govern and prevail with respect to any Common Elements shown thereon and omitted from the description set forth herein.

Section 7.9 **Vaults.** The license or right granted by The City of New York to use Vaults #1 and 2 adjacent to the Property are included in, and part of Commercial Unit 1 and the General Common Elements respectively. Vault #1 serves exclusively Commercial Unit 1 and Vault #2 serves Equipment and/or space that are part of the General Common Elements and is to be used by the Condominium Board for the service and benefit of all Unit Owners.

ARTICLE 8

THE COMMON INTERESTS

Section 8.1 **Statutory Method Chosen.** The Common Interest of each Unit 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 Section 339-i(1)(iv) of the Condominium Act.

Section 8.2 **Common Interests**. The Common Interest of each Unit is set forth on EXHIBIT B hereto and constitutes the proportionate undivided interest of the Owner of such Unit in the Common Elements and the Association's Properties. The Common Interest appurtenant to each Unit cannot be separated from the Unit. Accordingly, the conveyance, mortgage or similar Disposition of the fee title interest in a Unit shall include and (in the absence thereof) shall be deemed to include, the Unit's Common Interest.

ARTICLE 9

THE COMMON PROFITS AND COMMON EXPENSES

Section 9.1 **Special Allocation and Apportionment**

Section 9.1.1 Definitions. The "**Common Profits**" are the excess of: (a) all receipts of rents, profits and revenues from the Common Elements and the Association's Properties; over (b) the Common Expenses. The "**Common Expenses**" are the Costs and Expenses: (a) to Operate and make any Disposition of the Common Elements and the Association's Properties (including any Unit owned, leased, held or Operated by the Condominium Board or its designee or nominee); (b) to provide services to all or certain Unit Owners; and (c) to conduct the affairs of the Condominium Association or the Residential Space. The Common Expenses consist of the General Common Expenses and the Residential Common Expenses as explained below in this Section 9.1.

Section 9.1.2 Special Allocation and Apportionment Rule. Certain of the Common Profits and Common Expenses shall be specially allocated and apportioned by the Condominium Board, in a manner different from "common profits and expenses" in the Condominium Act, to only all Residential and Storage Unit Owners or to only the Commercial Unit Owners (as applicable) based on special or exclusive use or availability or exclusive control of particular Units or Common Elements by particular Unit Owners (collectively, "**Usage**") in accordance with Section 339-m of the Condominium Act ("**Section 339-m**")and as provided in Section F of Part I of the Plan and the First Year's Budget (SCHEDULE B) contained therein, the Budget Guidelines (attached as EXHIBIT F hereto), this Article 9 and the By-Laws. Such

special allocation and apportionment of certain Common Profits and Common Expenses based on Usage is herein called the "**Special Allocation and Apportionment Rule**".

Section 9.1.3 General Common Expenses. Those Common Expenses relating to the following are herein called the "**General Common Expenses**": (a) the Operation and any other Disposition of the General Common Elements or the Association's General Properties; (b) the general services furnished by the Condominium Board to all or a portion of both the Residential Space and the Commercial Units; and (c) the affairs of the entire Property or the whole Condominium Association, including real estate taxes (until the Units are separately assessed and billed by the taxing authority), the collection of the General Common Charges, and Claims and Lawsuits relating to the non-payment of the General Common Charges, the General Common Expenses, the General Common Elements, the Association's General Properties, or the affairs of the entire Property or the whole Condominium Association (collectively, "**General Legal Matters**") . In accordance with the Special Allocation and Apportionment Rule, the General Common Expenses shall be allocated to all Residential and Storage Unit Owners and the amount thereof allocated to each Commercial Unit Owner shall in all cases be limited and restricted strictly to only those portions of the General Common Expenses that are fairly and properly attributable to such Commercial Unit Owner based strictly upon (and restricted to the extent only of): (a) those General Common Elements that actually serve or are actually utilized by such Commercial Unit Owner; (b) those services that are actually furnished by the Board to such Commercial Unit Owner; and (c) those items of General Common Expenses relating to the affairs of the entire Property or the whole Condominium Association that are allocated to all Unit Owners as set forth in Section F of the Plan and the First Year's Budget (SCHEDULE B) contained therein and the Budget Guidelines, namely: insurance, management, legal (excluding "Residential Legal Matters", as defined in Section 9.1.4 below), audit and certain administrative and other miscellaneous General Common Expenses.

The General Common Expenses allocated to all Units are generally apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount of a projected General Common Expense item fairly and properly attributable to a Commercial Unit or to the Residential and Storage Units would otherwise require, in which case such fair and proper apportionment shall be used. Pursuant thereto, the General Common Expenses set forth below will be apportioned and assessed to each Commercial Unit based strictly on the amount fairly and properly attributable to such Units as determined in accordance with the following, and shall not be based on the Common Interests of these Units (these General Common Expenses are herein called collectively the "**Specially Apportioned General Common Expenses**"):

Water and Sewer Charges: If and to the extent water and sewer services provided to a Commercial Unit are not separately metered and are included in the bill for water and sewer services provided to the Building, then the General Common Expenses allocated, apportioned and assessed to such Commercial Unit for said water and sewer charges shall be limited and restricted strictly to the amount fairly and properly attributable to such Commercial Unit based on the ratio that the amount of water consumed by such Commercial Unit (as measured by a separate submeter or (if none) a water Usage survey by an independent licensed consulting or mechanical engineer or other qualified expert chosen by the Board) bears to the total amount of water consumed by the entire Building, including all Units and Common Elements (as measured by the Building's water meter) for the period in question. Commercial Units 3 and 4 do not consume water and therefore shall not be allocated or assessed water and sewer charges.

Insurance: If the Property's insurance premium is increased due solely to the use of a Commercial Unit for other than residential purposes, the amount of such increase in the

insurance premium shall be specially allocated, apportioned and assessed exclusively to such Commercial Unit, after deducting the savings (if any) in the total insurance premium realized by the Condominium Association being included under a master policy obtained by Sponsor, a Sponsor Related Party, a Commercial Unit Owner or the Managing Agent (as applicable). In addition, each Commercial Unit Owner shall have the exclusive right to limit the amount of its allocable share of the Property's insurance premium to strictly reflect the amount fairly and properly attributable to its Commercial Unit based on the following: (a) in the case of fire and casualty coverage: the premium therefor allocated to a Commercial Unit (at the exclusive option of the Owner of such Commercial Unit) shall be in the ratio that the sum of the square footage of such Owner's Commercial Unit plus its allocable share of the square footage of only those portions of the General Common Elements that actually serve or are actually utilized by its Commercial Unit (such allocable share to be based on the respective Common Interests of the Units) bears to the total square footage of all areas (i.e., Common Elements and Units) being insured; and (b) in the case of liability coverage: the premium therefor allocated to a Commercial Unit (at the exclusive option of the Owner of such Commercial Unit) shall equal the product of its Common Interest multiplied by a fraction whose numerator is the square footage of only those General Common Elements that actually serve or are actually utilized by said Commercial Unit and whose denominator is the total square footage of all Common Elements being insured.

Management Fee: Since most of the management services will be devoted to the Residential Space and the Residential and Storage Unit Owners, the management fee shall be specially allocated to the Residential Common Expenses for the Budget Year approximately in the proportion that all other projected Residential Common Expenses bear to all other projected Common Expenses (i.e., both General and Residential Common Expenses) for such Budget Year. The remaining balance of the management fee shall be allocated to the projected General Common Expenses for such Budget Year, which shall be allocated, apportioned and assessed to all Unit Owners Pro Rata to their respective Common Interests. Alternatively, the management fee shall be allocated to the Residential and Storage Units and to the Commercial Units in accordance with the methodology used in the First Year's Budget (i.e., SCHEDULE B in Section F of Part I of the Plan).

Legal: The legal fees and disbursements, court costs and other litigation expenses (collectively, "**Legal Expenses**") included in the General Common Expenses shall be limited and restricted strictly to only those legal services rendered in connection with the Operation of the General Common Elements, the Association's General Properties, or the affairs of the entire Property or the whole Condominium Association (i.e., General Legal Matters), but exclude Legal Expenses incurred by the Condominium Board in connection with Residential Legal Matters (which shall be specially allocated, apportioned and assessed to only the Residential and Storage Unit Owners Pro Rata to their respective Common Interests). After the end of each Budget Year, the Condominium Board and the Commercial Unit Owners shall reconcile any underpayment or overpayment by the Commercial Unit Owners of the Legal Expenses actually incurred for the Budget Year then ended and those included in the Budget for such Budget Year (see Section 9.8.2 below).

Audit: Since the services required to audit the Residential Common Expenses will be substantially greater than the audit services for the General Common Expenses, the accounting fees and disbursements incurred by the Condominium Board for preparing the Condominium Association's audited financial statements and its federal, state and city income, franchise and unincorporated business income tax returns will be specially allocated to the Residential Common Expenses approximately in the proportion that all other projected Residential Common

Expenses bear to all other projected Common Expenses (i.e., both General and Residential Common Expenses) for such Budget Year, excluding Budget items for the management fee and contingencies. The remaining balance of the audit fees and disbursements shall be allocated to the projected General Common Expenses for such Budget Year, which shall be allocated, apportioned and assessed to all Unit Owners Pro Rata to their respective Common Interests. Alternatively, the audit fee shall be allocated to the Residential and Storage Units and to the Commercial Units in accordance with the methodology used in the First Year's Budget (i.e., SCHEDULE B in Section F of Part I of the Plan).

Contingencies: The Budget item for contingencies is to provide a fund for unanticipated expenses, including an allowance for a possible increase in one (1) or more budgeted expense items and to add one (1) or more new expense items. The amount provided in each Budget for contingencies shall be a percentage of the total amount of all budgeted expenses, other than contingencies, allocated to all Residential and Storage Units and to the Commercial Units. The percentage to be used in each Budget shall be determined by the Condominium Board for each Budget Year, but cannot exceed 5%, excluding funds (if any) segregated for capital or major Repairs or Alterations (see Section 9.7 below for full discussion).

Real Estate Taxes: Until the Units are separately assessed and billed for real estate taxes, the real estate taxes assessed to the Property will be included in the General Common Expenses and specially allocated and assessed 85.401% to all Residential and Storage Units (and apportioned among them Pro Rata to their respective initial offering prices set forth in SCHEDULE A in Section E of Part I of the Plan) and 14.599% to the Commercial Units (and apportioned among them Pro Rata to their respective Common Interests). The amounts so allocated apportioned and assessed to the respective Units shall be subject to adjustment for any overpayment or underpayment of real estate taxes as provided in "Section S. Real Estate Taxes", subsection S-1.3 in Part I of the Plan and subsection 9.1.7 of the By-Laws.

Any dispute with respect to the Specially Apportioned General Common Expenses shall be resolved by arbitration pursuant to Article 19 of the By-Laws.

The Residential and Storage Units shall always be regarded as one (1) group of Units when allocating, apportioning and assessing the General Common Expenses. Accordingly, the General Common Expenses attributable to the Residential Space shall always be allocated to all Residential and Storage Units and apportioned and assessed to them Pro Rata to their respective Common Interests.

Section 9.1.4 Residential Common Expenses. Those Common Expenses relating to the following are herein called the "**Residential Common Expenses**": (a) the Operation and any other Disposition of the Residential Limited Common Elements or the Association's Residential Properties; (b) the services furnished by the Board specially or exclusively to the Residential and Storage Unit Owners; and (c) the affairs affecting only the Residential and Storage Unit Owners or the Residential Space or the Association's Residential Properties, including the following "**Residential Legal Matters**": the collection of the Residential Common Charges and Claims and Lawsuits relating to the Residential Common Expenses, the Residential Limited Common Elements, the Association's Residential Properties and Sponsor's obligations or undertakings under the Plan, a Plan Amendment or a Purchase and Sale Agreement. In accordance and compliance with said Section 339-m and the Special Allocation and Apportionment Rule, the Residential Common Expenses shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests based upon their special or exclusive Usage of (i.e.,

special or exclusive use or availability or exclusive control over) the Residential Limited Common Elements and the Association's Residential Properties and the Costs and Expenses of providing services and conducting affairs specially or exclusively to or for the Residential and Storage Unit Owners. The Residential and Storage Units shall always be regarded as one (1) group of Units for the purpose of allocating, apportioning and assessing the Residential Common Expenses, which shall always be allocated to all Residential and Storage Units and apportioned and assessed to them Pro Rata to their respective Common Interests. The Commercial Unit Owners shall not pay or be assessed for the Residential Common Expenses.

Section 9.1.5 Common Charges. Generally, the amounts assessed by the Condominium Board from time to time against all or certain (as applicable) Unit Owners to pay the Common Expenses are herein called the "**Common Charges**", which consist of the regular monthly payments (or such other periodic payments as the Board shall determine) and "**Special Assessments**", which are in addition to the Common Charges and shall be payable in one or more payments at such time or times as the Condominium Board shall determine. Those Common Charges that are to be applied to pay the General Common Expenses are herein called the "**General Common Charges**" and are assessed to all Unit Owners or (in certain cases) to only all Residential and Storage Unit Owners or to only one (1) or more Commercial Unit Owners (as appropriate). Those Common Charges that are to be applied to pay the Residential Common Expenses are herein called the "**Residential Common Charges**" and are assessed to only all Residential and Storage Unit Owners. The Common Charges assessed to the Residential and Storage Unit Owners consist of the General Common Charges to pay their allocable portion of the General Common Expenses and the Residential Common Charges to pay the Residential Common Expenses.

Section 9.1.6 Apportioning Common Expenses. All references in this Article 9 or elsewhere in this Declaration and the By-Laws to apportioning and assessing: (a) the General Common Expenses to all Units Pro Rata to their respective Common Interests (or words of similar import) shall mean in the ratio that the Common Interest appurtenant to each Unit bears to the total 100% Common Interests appurtenant to all Units; or (b) the Residential Common Expenses to only all Residential and Storage Units (or words of similar import) shall mean in the ratio that the Common Interest appurtenant to each Residential and Storage Unit bears to the total 92.081% Common Interests appurtenant to all Residential and Storage Units. For example, the Pro Rata portion of the Residential Common Expenses apportioned to Residential Unit 2A equals 1.7886%, rounded (i.e., 1.647% Common Interest of Unit 2A ÷ total 92.081% Common Interests of all Residential and Storage Units).

Section 9.2 Budget of Condominium Operation. The Budget of Condominium Operation for each Budget Year shall consist of the projected General Common Expenses (the Budget items relating thereto are hereafter called the "**Budget of General Operation**") and the projected Residential Common Expenses (the Budget items relating thereto are hereafter called the "**Budget of Residential Operation**").

Section 9.3 Budget Requirement. In so allocating and apportioning the Common Profits and Common Expenses and adopting a Budget of General Operation and Budget of Residential Operation each Budget Year, the principles, rules, requirements and procedures set forth in this Article 9, Section F of Part I of the Plan, the First Year's Budget of Condominium Operation (SCHEDULE B) contained therein and the Budget Guidelines (EXHIBIT F hereto) shall govern, apply and strictly be observed.

Section 9.4 **Budget Adoption Procedure.** Before the start of each Budget Year, the Condominium Board shall prepare, adopt and distribute to all Unit Owners a Budget of Condominium Operation in accordance with the following procedure and requirements:

(a) any Board Member, a Commercial Unit Owner or Sponsor (while Sponsor owns any Unsold Residential Unit) may propose a Budget of General Operation for the next ensuing Budget Year by giving to all Board Members, the Commercial Unit Owners and Sponsor (while Sponsor owns any Unsold Residential Unit) a copy of the proposed Budget of General Operation; and any Residential Board Member (including a Sponsor Board Member or an Independent Board Member) or Sponsor (while Sponsor owns any Unsold Residential Unit) may propose a Budget of Residential Operation for the next ensuing Budget Year by giving to all Residential Board Members and Sponsor (while Sponsor owns any Unsold Residential Unit) a copy of the proposed Budget of Residential Operation;

(b) all determinations with respect to: (b-1) the projected General Common Expenses and their allocation and apportionment to all or certain Unit Owners for a Budget Year, and the adoption of such Budget, shall be made by majority of those Residential and Commercial Board Members attending a duly constituted Board meeting at which a quorum is present, but subject to strict compliance with the Special Allocation and Apportionment Rule; and (b-2) the projected Residential Common Expenses and their allocation and apportionment to the Residential and Storage Unit Owners in a Budget of Residential Operation for a Budget Year, and the adoption of such Budget, shall be made by only majority of those Residential Board Members attending a duly constituted meeting of Residential Board Members at which a quorum is present;

(c) if a Budget of Condominium Operation is not timely adopted before the start of a Budget Year, the last duly adopted Budget shall remain in effect;

(d) any failure to agree or dispute (collectively, **"dispute"**) as to the adoption of a proposed Budget of General Operation or a proposed Budget of Residential Operation shall be resolved by arbitration pursuant to the By-Laws;

(e) pending the final (non-appealable) resolution of the dispute, the last duly adopted Budget of General Operation or Budget of Residential Operation (as applicable) shall remain in effect; however, if the final resolution upholds an increase in General Common Charges or Residential Common Charges (as applicable), then such increase shall be retroactive to the date it would have commenced had there been no dispute;

(f) a Unit Owner may elect to pay all or part of a disputed proposed increase in General Common Charges or Residential Common Charges (as applicable), without prejudice to the right of such Unit Owner to contest (by arbitration) the proposed Budget;

(g) each Unit Owner shall be given a copy of the Budget of Condominium Operation adopted by the Board at least (10) calendar days before the start of the Budget Year to which it pertains (however, failure to timely receive such Budget shall not excuse a Unit Owner from the obligation to timely pay the full amount of increase in Common Charges set forth in such Budget) and, in the case of a Budget that increases the General Common Charges, the Commercial Unit Owners shall receive a copy of such newly adopted Budget of General Operation at least thirty (30) calendar days before the start of such increase in General Common Charges (however, failure to timely receive such

Budget shall not excuse the Commercial Unit Owners from the obligation to timely pay the full amount of such increase in Common Charges);

(h) the foregoing procedure and requirements shall apply to adopt a revision to a previously adopted Budget, except that any increase in General Common Charges or Residential Common Charges in such revised Budget shall not be applied retroactively and shall not be made for an expired Budget Year (however, this shall not prohibit an increase in General Common Charges or Residential Common Charges or a Special Assessment to pay a deficit for a prior period); and

(i) all approvals, decisions and actions (including approval of a proposed Budget or a proposed revised Budget and instituting or defending an arbitration of a dispute or an appeal) may be made and taken by Sponsor (while it owns any Unsold Residential Unit) in place of the Sponsor Board Member(s) or by the Owners of Commercial Units 1 and 2 in place of the Commercial Board Members appointed and designated by them.

Section 9.5 **Allocation or Apportionment Change.** In the event of a change in the allocation ("**Allocation Change**") or in the apportionment ("**Apportionment Change**") in the projected General Common Expenses for a Budget Year resulting from a new or different use, service or benefit (other than an inconsequential or negligible change), the affected item(s) of projected Common Expense(s) shall be appropriately allocated or apportioned (as applicable) to all Residential and Storage Units or to the appropriate Commercial Units (as applicable) to reflect such change in use, service or benefit that is fairly and properly attributable to all Residential and Storage Units or to such Commercial Units (as applicable).

Section 9.6 **Increase in General Common Charges.** To increase the General Common Charges of all Residential and Storage Units or a Commercial Unit, as applicable (collectively, "**Affected Unit(s)**") based on an Allocation Change or an Apportionment Change (hereinafter collectively, "**Allocation/Apportionment Change**"), the following procedure and requirements shall apply:

(a) any Board Member, a Commercial Unit Owner or Sponsor (while it owns any Unsold Residential Unit) may propose an Allocation/Apportionment Change in the projected General Common Expenses for a Budget Year;

(b) the Party who is proposing the Allocation/Apportionment Change ("**Proponent**") shall give to all Board Members, the Commercial Unit Owners and Sponsor (while Sponsor owns any Unsold Residential Unit) a written opinion ("**Expert Opinion**") of a qualified expert selected and paid for by the Proponent setting forth: (b-1) a detailed explanation justifying the Allocation/Apportionment Change; (b-2) an express statement that, in the opinion of the expert, the proposed amount of increase in General Common Charges of the Affected Unit(s) reflects the amount of the Allocation/Apportionment Change that is fairly and properly attributable to the Affected Unit(s), together with a reasonably detailed explanation justifying such opinion; and (b-3) a statement of the qualifications of the expert;

(c) the majority of those Residential and Commercial Board Members attending a duly constituted Board meeting at which a quorum is present is necessary to increase the General Common Charges of the Affected Unit(s) based on an Allocation/Apportionment Change, but subject to strict compliance with the Special Allocation and Apportionment Rule;

(d) any dispute as to such proposed increase shall be resolved by arbitration pursuant to the By-laws;

(e) pending the final (non-appealable) resolution of the dispute, the last duly adopted Budget of General Operation shall remain in effect and the proposed increase in General Common Charges shall be suspended; however, if the final resolution upholds the increase in General Common Charges, then such increase shall be retroactive to the date it would have commenced had there been no dispute;

(f) the Owner(s) of the Affected Unit(s) may elect to pay all or part of a disputed proposed increase in General Common Charges without prejudice to the right of such Owner(s) to contest (by arbitration) the proposed Allocation/Apportionment Change;

(g) before the proposed increase is implemented, the Owner(s) of the Affected Unit(s) shall receive not less than ten (10) calendar days' (or not less than 30 calendar days' if such Owner is a Commercial Unit Owner) prior written notice from the Board or an officer of the Board of the amount and implementation date of such increase;

(h) an increase in General Common Charges of the Affected Unit(s) based on an Allocation/Apportionment Change: (h-1) shall not be made more often than once each Budget Year; (h-2) shall not be applied retroactively; and (h-3) shall not be made for an expired Budget Year; and

(i) all approvals, decisions and actions (including approval of a proposed increase in General Common Charges based on an Allocation/Apportionment Change and instituting or defending an arbitration of a dispute or an appeal) may be made and taken by Sponsor in lieu of the Sponsor Board Member(s) or by the applicable Commercial Unit Owner in lieu of the Commercial Board Member appointed and designated by such Owner.

Section 9.7 **Budget Reserves.** The Budget of Condominium Operation may include a reserve for unanticipated General or Residential Common Expenses or an allowance for an increase in one or more items of General or Residential Common Expenses or from potential new or additional General or Residential Common Expenses, or other contingencies (collectively, "**Contingency Reserve**"), but the Contingency Reserve in any Budget Year, when added to all amounts unspent in a Contingency Reserve with respect thereto for one or more prior Budget Years (excluding funds, if any, held in a separate segregated bank or investment account for application exclusively to make capital or major Repairs or Alterations), shall not exceed five percent (5%) of the projected annual General Common Expenses or the projected annual Residential Common Expenses (as applicable) for such Budget Year without obtaining the prior written Discretionary Consents or Approvals of both Sponsor (during only the Sponsor Veto Control Period) and (with respect to the Contingency Reserve as part of the projected General Common Expenses) the Commercial Unit Owners. Sponsor (as Owner of an Unsold Residential Unit), however, will give its consent if the proposed Reserve Contingency, when added to all other budgeted General Common Expenses or budgeted Residential Common Expenses (as applicable), will not increase the General Common Charges or Residential Common Charges (as applicable), inclusive of any Special Assessments of the Condominium Board, for such Budget Year by more than five percent (5%) above the General Common Charges or Residential Common Charges (as applicable) for the immediately preceding Budget Year of the Condominium Association.

Section 9.8 Budget Surplus and Reconciliation

Section 9.8.1 Budget Surplus. If, in any completed Budget Year, the General Common Charges shall exceed the actual General Common Expenses or the Residential Common Charges shall exceed the actual Residential Common Expenses, the Condominium Board shall determine how to apply the surplus. The Condominium Board shall have the choice of applying the surplus to defray the projected General Common Expenses or projected Residential Common Expenses (as applicable) of the next immediately succeeding Budget Year and/or distributing all or a portion of the surplus to all then existing Unit Owners who paid the surplus and apportioning such distribution among them Pro Rata to the General Common Charges or Residential Common Charges (as applicable) assessed to such Unit Owners for said completed Budget Year, or any combination of the foregoing. Such determination shall be made by the following: (a) in the case of a surplus in General Common Charges: a majority of those Residential and Commercial Board Members attending a duly constituted Board meeting at which a quorum is present shall make such determination; or (b) in the case of a surplus in Residential Common Charges: a majority of only those Residential Board Members attending a duly constituted meeting of Residential Board Members at which a quorum is present shall make such determination. In the event the applicable Board Members fail to make such determination within four (4) months after the end of such Budget Year, the surplus shall be distributed to all then existing Unit Owners who paid the surplus and were Unit Owners of record during such completed Budget Year, and apportioned and distributed among them Pro Rata to the Common Charges (i.e., General Common Charges or Residential Common Charges, as applicable) assessed to such Unit Owners for such completed Budget Year.

Section 9.8.2 Budget Reconciliation. Within three (3) months after the end of each Budget Year, the Condominium Board will cause to be prepared and shall submit to the Commercial Unit Owners a statement of revenues and expenses for the completed Budget Year prepared on the basis of accounting used by the Condominium, which shall be either on an income tax basis or on generally accepted accounting principles. In either case, the audit of revenues and expenses shall be conducted by an independent auditor. The statement of revenues and expenses shall include a comparative schedule of revenues and expenses, which will compare on a line item basis the actual audited revenues and expenses to the budgeted revenues and expenses for the completed Budget Year. Within thirty (30) days after such audited statement of revenues and expenses is submitted to the Commercial Unit Owners, the Condominium Board shall also submit to the Commercial Unit Owners a written reconciliation of the overall net disparity (if any) between the General Common Expenses allocated, apportioned and assessed to the Commercial Unit Owners for such completed Budget Year and said audited (actual) General Common Expenses incurred for such completed Budget Year that are fairly and properly allocated and apportioned to each Commercial Unit Owner in strict accordance and compliance with the Special Allocation and Apportionment Rule and Section 339-m of the Condominium Act, as provided in Section 9.1 above. If such reconciliation results in a net underpayment by a Commercial Unit Owner of such audited General Common Expenses fairly allocated and apportioned to such Commercial Unit Owner, the deficit shall constitute part of the Common Charges of such Commercial Unit and the entire deficit shall be paid together with the regular monthly Common Charges billed to such Commercial Unit Owner for the calendar month which is not less than thirty (30) calendar days subsequent to the date of receipt by such Commercial Unit Owner of said audited statement of revenues and expenses and said written reconciliation. If, on the other hand, the reconciliation results is a net overpayment by a Commercial Unit Owner of such audited General Common Expenses fairly allocated and apportioned to such Commercial Unit Owner, the entire surplus shall be credited to (and reduce) the Common Charges next due and payable by such Commercial Unit Owner or (at the

exclusive option of such Commercial Unit Owner) refunded immediately to said Commercial Unit Owner. Any disagreement or dispute under this Section 9.8.2 shall be resolved by arbitration pursuant to the By-Laws. Until such dispute is resolved by arbitration or mutual agreement, the status quo ante shall be maintained. If the dispute involves an alleged underpayment of General Common Expenses by a Commercial Unit Owner, no late fee, charges or interest shall accrue and no enforcement action shall be commenced against such Commercial Unit Owner based thereon for so long as the issue remains unresolved beyond all appellate review.

Section 9.9 **Prohibition.** The Condominium Board shall not charge an Owner or such Owner's Permitted Tenants/Occupants/Invitees any separate fee, rental, charge, imposition or payment of any kind (apart from regular Common Charges and Special Assessments, if any, levied on all Unit Owners or all Residential and Storage Unit Owners, as applicable) for the mere Use and Enjoyment in common of the lobby, Base Floors and similar portions of the Common Elements; however, the foregoing shall not prohibit the Board from leasing or licensing portions of the Common Elements or from imposing and collecting charges for use of vending machines and the like.

Section 9.10 **Special Assessment.** The Condominium Board may levy a Special Assessment to pay the General Common Expenses (if approved by a majority of those Residential and Commercial Board Members attending a duly constituted Board meeting at which a quorum is present) and the Residential Board Members may levy a Special Assessment to pay the Residential Common Expenses (if approved by a majority of only those Residential Board Members attending a duly constituted meeting of the Residential Board Members at which a quorum is present) in accordance with Section 8.4 of the By-Laws, which is hereby incorporated herein with the same force and effect as though set forth at length herein.

Section 9.11 **Sponsor Veto Control.** During the period ending on the *earlier* of: (a) the date that the Common Interests appurtenant to the Unsold Residential and Storage Units constitute less than 25% of the aggregate Common Interests appurtenant to all Residential and Storage Units; or (b) the fifth (5th) anniversary of the First Closing of a Residential Unit under the Plan ("**Sponsor Veto Control Period**"), Sponsor shall have veto control over the following decisions and actions of the Condominium Board (including the Residential Board Members) and Unit Owners (as to any vote or action by them), and the Board and Unit Owners must obtain Sponsor's prior written Discretionary Consent to do any of the following:

(a) to raise General Common Charges or Residential Common Charges or levy a Special Assessment in order to do any of the following:

(a-1) to make an Alteration to the General Elements, the Residential Limited Common Elements, the Association's General Properties or the Association's Residential Properties (the latter include any Residential or Storage Unit owned, leased or otherwise held or Operated by the Condominium Board or its nominee or designee);

(a-2) to create a fund for reserves for Repairs, Alterations, unanticipated expenses and/or contingencies (i.e., Contingency Reserve fund) in excess of five percent (5%) of the projected annual General Common Expenses or five percent (5%) of the projected annual Residential Common Expenses (as applicable) for any Budget Year of Condominium Operation;

(a-3) to increase, decrease, eliminate or otherwise change the number, type, classification or working hours of the Building's service staff from those set forth in the First Year's Budget (SCHEDULE B in Section F of Part I of the Plan);

(a-4) to increase, decrease, eliminate or otherwise change Building services by (for example) entering into contracts for new or additional services or Maintenance Work not included in said First Year's Budget, or failing to provide any service or Maintenance contracts set forth in such First Year's Budget, or otherwise; or

(a-5) to increase, decrease, eliminate or otherwise change the amounts or types of insurance coverage from those provided in said First Year's Budget (i.e., SCHEDULE B in Section F of Part I of the Plan); or

(b) to borrow money on behalf of the Condominium.

Sponsor, however, will give its consent if the Costs and Expenses (as determined by Sponsor, in its sole and absolute judgment) of the proposed action requiring Sponsor's consent, when added to all other budgeted General Common Expenses or Residential Common Expenses (as applicable), will not increase the General Common Charges or Residential Common Charges (as applicable), inclusive of any Special Assessments, for any Budget Year of the Condominium Association, by more than five percent (5%) above the General Common Charges or Residential Common Charges (as applicable) for the immediately preceding Budget Year of the Condominium Association.

Sponsor may not, however, exercise veto control over expenses included in said First Year's Budget or over expenses required: (a) to comply with applicable Laws; (b) to remedy a governmental notice of a violation; or (c) to remedy a Work order of an insurer of the Building.

Only Sponsor may exercise Sponsor's veto control while Sponsor owns any Unsold Residential Unit. If Sponsor no longer owns any Unsold Residential Unit, each successor Unsold Residential Unit Owner will have the same right of veto control as Sponsor. In the event there are two (2) or more such successor Unsold Residential Unit Owners, the required consent of only those Owners of Unsold Residential and Storage Units constituting a majority of the Common Interests of all Unsold Residential and Storage Units will suffice. Nothing contained herein will extend the Sponsor Veto Control Period.

Section 9.12 **Real Estate Taxes.** Until such time as each Unit is separately assessed and billed for real estate taxes, the Condominium Board shall collect the real estate taxes payable for the Property in the form of a Special Assessment levied on all Unit Owners payable in one (1) lump sum or periodic installments (at the option and discretion of the Condominium Board) for forwarding same to the appropriate taxing authority on behalf of the Unit Owners in accordance with Article 9, Section 9.1 of the By-Laws, which is hereby incorporated herein with the same force and effect as if set forth at length herein. In the event the Condominium Board fails to agree thereon within thirty (30) calendar days from the date of First Closing of a Residential Unit under the Plan and at such time the Units are not separately assessed and billed for real estate taxes, such real estate taxes will be collected as a Special Assessment payable monthly in amounts sufficient to pay the next due installment of real estate taxes one (1) month prior to the date same is due and payable (before the imposition of interest for late payment). The Condominium Board and each Unit Owner shall have the right, for sixty (60) calendar days only after the Units are separately assessed and billed for real estate taxes (time being of the essence), to adjust any overpayment or underpayment of real estate taxes

included in the Common Charges so paid by such Unit Owner as part of the Common Charges, all as provided in said Section 9.1 of the By-Laws.

ARTICLE 10

USES OF COMMON ELEMENTS, SIDEWALKS, VAULTS AND UNITS

Section 10.1 **General Requirement.** Each of the Common Elements, the sidewalks immediately adjacent to, and fronting, the Property ("**Immediately Adjacent Sidewalks**"), the Vaults adjacent to the Property and the Units shall be Used and Enjoyed only in accordance and compliance with the then applicable Laws (as such Laws may change from time to time as a result of a statutory change, zoning variance, a new or amended Certificate of Occupancy for the Building or otherwise) and the purposes for which each is reasonably suited, capable designed and intended, and as permitted or stated in this Declaration, the By-Laws or the Rules and Regulations (as such Condominium Documents may be duly amended from time to time).

Section 10.2 **General Prohibitions.** The Common Elements, the Immediately Adjacent Sidewalks to the Property, the Vaults adjacent to the Property and the Units shall be used:

(a) in accordance and compliance with Section 10.1 above and the requirements, restrictions and prohibitions expressly stated in this Declaration or the By-Laws (including the Installation Requirements and applicable Work Requirements, as set forth respectively in Sections 10.4 and 15.2 below), as each may be duly amended from time to time; and

(b) for the purposes permitted in the Condominium Documents, but not for any or the following uses (collectively, "**Prohibited Uses**"): (b-1) any use that impairs or threatens the structural integrity of the Building or the life, health or safety of Owners, tenants or occupants of Units; (b-2) any use that violates applicable Laws; (b-3) any use that is an unreasonable annoyance or nuisance to other Unit Owners or an unreasonable interference with the peaceful possession or proper use of other Units or the Common Elements for their intended or permitted purposes as stated in the Plan and Condominium Documents (as each may be duly amended from time to time); or (b-4) any use that results in the cancellation or a notice of cancellation of insurance maintained by the Condominium Board.

The Condominium Board may not (and shall not):

(a) impose or levy any fee, charge, deposit, security, payment, imposition, restriction, limitation or other requirement (other than regular Common Charges and Special Assessments, if any, levied on all Unit Owners or all Residential and Storage Unit Owners, as applicable) in connection with the permitted Use and Enjoyment of the Common Elements by Sponsor, an Unsold Unit Owner or the Commercial Unit Owners, or their respective Permitted Tenants/Occupants/Invitees or Agents, Employees and Contractors; or

(b) prevent or unreasonably impede or interfere with the sale, rental, Promotion, Operation, management or other permitted Use and Enjoyment of Unsold Units or the Commercial Units.

Section 10.3 Common Use of Common Elements. The Common Elements shall be for the use or exclusive use (as indicated) in common of the following Owners and their respective Permitted Tenants/Occupants/Invitees: (a) in the case of the General Common Elements: for the use in common by all Unit Owners; and (b) in the case of the Residential Limited Common Elements: for the exclusive or substantially exclusive use in common by only the Residential and Storage Unit Owners. All uses of the Common Elements, however, shall be in accordance with the purposes for which they are reasonably suited, capable, designed and intended, without hindering the exercise of or encroaching upon the rights of other Unit Owners. The uses and changes in uses of the Common Elements shall be determined by the Condominium Board or Residential Board Members (as applicable) in accordance and compliance with applicable Laws and the provisions of this Declaration, the By-Laws and the Rules and Regulations, as each may be duly amended from time to time. Such uses and changes in uses of the Common Elements and all determinations of the Condominium Board or Residential Board Members (as applicable) with respect thereto shall nevertheless be subject and subordinate to:

(a) the other Sections of this Article 10 and Articles 11, 12 and 13 below; and

(b) Sponsor's/Commercial Owners' Rights set forth in the Plan and the Condominium Documents, which are superior, paramount and take preference over the rights of the Condominium Board and other Unit Owners to Use and Enjoy the Common Elements.

Any dispute as to the uses or changes in uses of the Common Elements shall be resolved by arbitration pursuant to the By-Laws.

Section 10.4 New Installations Affecting Common Elements, Sidewalks and Vault.

Section 10.4.1 Right to Install. Subject to the compliance with the Installation Requirements set forth below:

(a) Sponsor (while Sponsor owns any Unsold Unit) and the Commercial Unit Owners shall each have the right, Freely and Without Consent, Payment or Restriction (other than compliance with the Installation Requirements set forth in Section 10.4.2 below), to construct and install new, different and/or substitute Equipment and related Installations in, on and along the non-public portions of the General Common Elements and the Residential Limited Common Elements (including, for example, installing Commercial Equipment serving exclusively one (1) or more Commercial Units in the boiler room and installing Communications Equipment and Other Installations pursuant to Section 11.14 below in, on and along any of the rooms in the subcellar or cellar, the public stairs, the unutilized portions of the main Roof and its appurtenant Roof Structures (including the bulkheads), and the Building Walls), as well as Vault #2 and the Immediately Adjacent Sidewalks to the Property, which Equipment and related Installations: (a-1) shall be for the use, service and/or benefit of the following: (a-1.1) if installed by Sponsor: one (1) or more Unsold Units (or the respective Owners or Permitted Tenants/Occupants/Invitees of Unsold Units), or the Building or any portion thereof, or (a-1.2) if installed by a Commercial Unit Owner: the Commercial Unit of such Owner or said Owner or its Permitted Tenants/Occupants/Invitees; or (a-2) shall provide telephone, television, internet and all other kinds of communication and information services to Building residents and occupants or to the general public (whether via cable, satellite or other communication devices);

(b) the Commercial Unit Owners shall have the additional right, Freely and Without Consent, Payment or Restriction (other than compliance with said Installation Requirements set forth below), to construct and install in and on the portion of the main Roof and its related Roof Structures (including the bulkheads) and along the Building Walls, new, different or substitute Equipment and related Installations that are for the exclusive use, service and/or benefit of the Commercial Units or the Owners or Permitted Tenants/Occupants/Invitees of the Commercial Units; and

(c) the Condominium Board shall have the right to construct and install in or on the Common Elements, the Immediately Adjacent Sidewalks to the Property and Vault #2 new, different and/or substitute Equipment and related Installations for the use, service and/or benefit of all or certain Units or the Owners or Permitted Tenants/Occupants/Invitees of such Units.

Section 10.4.2 Installation Requirements. All of the foregoing Installations shall be performed in accordance and compliance with all of the following "**Installation Requirements**": (a) the requirement to comply with the applicable Work Requirements set forth in Section 15.2 below; and (b) the requirement to not prevent access to, nor overload or materially impair the proper and efficient performance, function, capacity or utility of the Equipment and Installations then comprising the Common Elements or a Unit.

Section 10.5 New Connections to Common Elements. Each Unsold Unit Owner (including Sponsor) and the Commercial Unit Owners, and their respective Agents, Employees and Contractors, shall have the right, from time to time, Freely and Without Consent, Payment or Restriction (other than the requirement to comply with the Installation Requirements set forth in Section 10.4.2 above): (a) to connect Equipment and related Installations now or hereafter part of such Owner's Unsold Unit or Commercial Unit (as applicable) to the Equipment and Installations comprising at any time the Common Elements; (b) to thereafter Maintain, Repair, Alter and otherwise Operate such newly connected Equipment and Installations; and (c) to reasonably access the Common Elements in order to perform the Work in connection with the foregoing.

Section 10.6 Residential Limited Common Elements. The Residential Limited Common Elements shall be for the exclusive or substantially exclusive Use and Enjoyment in common by only the Owners and Permitted Tenants/Occupants/Invitees of the Residential and Storage Units in accordance with the purposes for which they are reasonably suited, capable, designed and intended, without hindering the exercise of, or encroaching upon, the rights of other Unit Owners. The Residential Limited Common Elements shall not be used in a manner that is a nuisance or an unreasonable annoyance to the Owners and Permitted Tenants/Occupants/Invitees of any Units or an unreasonable interference with the peaceful possession and permitted Use and Enjoyment of any Units, or any other Prohibited Uses. The uses and changes in use of the Residential Limited Common Elements shall be determined by the Residential Board Members on behalf of the Condominium Board. Such exclusive Use and Enjoyment of the Residential Limited Common Elements shall nevertheless be subject and subordinate to: (a) compliance with this Declaration (including in particular (but not limited to) Sections 10.2, 10.5 and 10.9 hereof and Articles 11, 12 and 13 below) and the By-Laws; (b) the right of the Residential Board Members to establish and amend from time to time Rules and Regulations governing the use thereof by the Owners and Permitted Tenants/Occupants/Invitees of Sold Residential and Storage Units (but not governing the use thereof by Unsold Residential and Storage Units); and (c) certain restrictions, as well as certain rights and easements reserved to Sponsor and granted to the Condominium Board, Unsold Unit

Owners, the Commercial Unit Owners and other Persons, all as and to the extent set forth in this Declaration, the By-Laws, the Plan and the Condominium Act, including Sponsor's/Commercial Owners' Rights set forth in the Plan and the Condominium Documents, which are superior, paramount and take preference over the rights of the Condominium Board and Sold Residential and Storage Unit Owners to Use and Enjoy the Residential Limited Common Elements.

Section 10.7 Commercial Limited Common Elements. The Commercial Limited Common Elements (if established) shall be for the exclusive or substantially exclusive Use and Enjoyment by only the Owners of the Commercial Units to which same are appurtenant, and the Permitted Tenants/Occupants/Invitees of such Commercial Units in accordance with the purposes for which they are reasonably suited capable, designed and intended, without hindering the exercise of or encroaching upon the rights of other Unit Owners. The Commercial Limited Common Elements (if established) shall not be used in a manner that is a nuisance or an unreasonable annoyance to the Owners and Permitted Tenants/Occupants/Invitees of any Units or an unreasonable interference with the peaceful possession and permitted Use and Enjoyment of any Units, or any other Prohibited Uses. The uses and changes in use of the Commercial Limited Common Elements (if established) shall be determined by the Commercial Board Members on behalf of the Condominium Board. Such exclusive or substantially exclusive Use and Enjoyment of the Commercial Limited Common Elements (if established) shall nevertheless be subject and subordinate to: (a) compliance with this Declaration (including in particular (but not limited to) Sections 10.2, 10.5 and 10.9 hereof and Articles 11, 12 and 13 below) and the By-Laws; (b) the right of the Commercial Board Members to establish and amend from time to time Rules and Regulations governing the use thereof by the Owners and Permitted Tenants/Occupants/Invitees of the applicable Commercial Units; and (c) certain restrictions, as well as certain rights and easements reserved to Sponsor and granted to the Condominium Board, Unsold Unit Owners, the Commercial Unit Owners and other Persons, all as and to the extent set forth in the Plan, this Declaration, the By-Laws and the Condominium Act, including Sponsor's Rights set forth in the Plan and the Condominium Documents, which are superior, paramount and take preference over the rights of the Condominium Board and other Unit Owners to Use and Enjoy the Common Elements.

Section 10.8 Individual Limited Common Elements. Each Individual Residential Limited Common Element (if established pursuant to Section 13.1 below) will be for the exclusive or substantially exclusive Use and Enjoyment of the Owner of the Residential Unit to which same is appurtenant and such Owner's Permitted Tenants/Occupants/Invitees in accordance with the purpose for which it is reasonably suited, capable, designed and intended. Such exclusive or substantially exclusive Use and Enjoyment of an Individual Residential Limited Common Element shall nevertheless be subject and subordinate to: (a) compliance with this Declaration (including in particular (but not limited to) Sections 10.2 and 10.9 hereof and Articles 11, 12 and 13 below) and the By-Laws; (b) the right of the Residential Board Members to establish and amend from time to time Rules and Regulations governing the use thereof by such Owner and such Owner's Permitted Tenants/Occupants/Invitees; and (c) certain restrictions, as well as certain rights and easements reserved to Sponsor and granted to the Condominium Board, Unsold Unit Owners, Commercial Unit Owners and other Persons, all as and to the extent set forth in this Declaration, the By-Laws, the Plan and the Condominium Act, including Sponsor's/Commercial Owners' Rights set forth in the Plan and the Condominium Documents, which are superior, paramount and take preference over the rights of the Condominium Board and Unit Owners to Use and Enjoy the Limited Common Elements.

Each Individual Commercial Limited Common Element (if established pursuant to Section 13.1 below) will be for the exclusive or substantially exclusive Use and Enjoyment of the Owner of the Commercial Unit to which same is appurtenant and such Owner's Permitted Tenants/Occupants/Invitees in accordance with the purpose for which it is reasonably suited, capable, designed and intended. Such exclusive Use and Enjoyment of an Individual Commercial Limited Common Element shall nevertheless be subject and subordinate to: (a) compliance with this Declaration (including in particular (but not limited to) Sections 10.2 and 10.9 hereof and Articles 11, 12 and 13 below) and the By-Laws; (b) the right of the Commercial Board Members to establish and amend from time to time Rules and Regulations governing the use thereof by the Owners and Permitted Tenants/Occupants/Invitees of Commercial Units; and (c) certain restrictions, as well as certain rights and easements reserved to Sponsor and granted to the Condominium Board, Unsold Unit Owners, Commercial Unit Owners and other Persons, all as to the extent set forth in this Declaration, the By-Laws, the Plan and the Condominium Act, including Sponsor's/Commercial Owner's Rights set forth in the Plan and the Condominium Documents, which are superior, paramount and take preference over the rights of the Condominium Board and Unit Owners to Use and Enjoy the Common Elements.

Section 10.9 **Sponsor's Rights to Use Common Elements and Immediately Adjacent Sidewalks.** Sponsor hereby reserves for itself (while Sponsor owns any Unsold Residential Unit) and grants to each and every Unsold Residential Unit Owner (while such Owner owns said Unit) and to the tenants and occupants of Unsold Residential Units who are expressly so authorized in writing by the applicable Owners of such Unsold Residential Units, and the Agents, Employees and Contractors of each of the foregoing, the right and easement to use the Common Elements (including in particular, but not limited to: the Building Walls; the main Roof and Roof Structures; the Roofs of the bulkheads; the 130 West 30th Street Public Areas; and other portions of the Residential Limited Common Elements and portions of the General Common Elements) and the Immediately Adjacent Sidewalks to the Property in connection with: (a) the rehabilitation, renovation, installation and outfitting of the Building (including the Units and the Common Elements) in accordance with Sponsor's Plans and Specifications; (b) any Work undertaken by Sponsor pursuant to the Plan, a Plan Amendment or a Purchase and Sale Agreement; and (c) the permitted Use and Enjoyment (including Promotion and Operation) of its Unsold Residential and Storage Units in accordance with this Declaration, the By-Laws and the Plan. The foregoing right and easement reserved to Sponsor shall be superior, paramount and take preference over the foregoing right and easement granted to each Unsold Residential and Storage Unit Owner and all rights of use thereof by the Condominium Board and other Unit Owners. Sponsor, each Unsold Residential Unit Owner and said authorized tenants, occupants, Agents, Employees and Contractors may exercise and perform their respective rights and easements in this Section 10.9 Freely and Without Consent, Payment or Restriction (other than compliance with Section 10.2 above). Nothing herein shall prevent a Unit Owner or such Owner's Permitted Tenants/Occupants/Invitees from using the Building's Immediately Adjacent Sidewalks for ordinary pedestrian passage or the 130 West 30th Street Public Areas for ordinary ingress and egress to and from Units.

Section 10.10 **Building's Walls and Immediately Adjacent Sidewalks.** Sponsor hereby reserves for itself (while Sponsor owns any Unsold Residential Unit) and grants to each and every Unsold Residential Unit Owner (while such Owner owns said Unit) and to the tenants and occupants of Unsold Residential Units who are so expressly authorized in writing by the applicable Owners of such Unsold Residential Units, the right and easement to use the portions of the Building Walls that enclose the Residential Space (which are included in the Residential Limited Common Elements) and the Immediately Adjacent Sidewalks to the Residential Space

and the General Common Elements for all lawful purposes in connection with the permitted Use and Enjoyment (including Promotion and Operation) of its Units. Subject and subordinate to the foregoing, Sponsor hereby grants to: (a) the Owners Commercial Units 1 and 2 and the tenants and occupants of each such Owner's Unit who are so expressly authorized in writing by such Owner, the right and easements to the exclusion of all Unit Owners (other than Sponsor, Unsold Unit Owners and said authorized tenants and occupants of Unsold Units as aforesaid), to use those portions of the Building Walls that enclose such Owner's Commercial Unit and the Immediately Adjacent Sidewalks to its Commercial Unit for all lawful purposes in connection with the permitted Use and Enjoyment of said Owner's the Commercial Unit; and (b) the Condominium Board and those Owners, tenants and occupants of Sold Residential Units who are so expressly authorized in writing by the Condominium Board, the right and easement, to the exclusion of all other Sold Residential Unit Owners (but subordinate to the foregoing right and easement in favor of Sponsor, Unsold Residential Unit Owners and the authorized tenants and occupants of Unsold Units), to use said portions Building Walls that enclose the Residential Space (and included in the Residential Limited Common Elements) and the Immediately Adjacent Sidewalks to the Residential Space and the General Common Elements for all lawful purposes in connection with the permitted Use and Enjoyment of the Residential Space. The foregoing right and easement reserved to Sponsor to use the Building Walls and Immediately Adjacent Sidewalks to the Residential Space and the General Common Elements shall be superior, paramount and take preference over the foregoing exclusive right and easement granted to each Unsold Residential Unit Owner, said Commercial Unit Owners, the Condominium Board and said authorized Owners, tenants and occupants of Sold Residential Units. Sponsor, each Unsold Residential Unit Owner, each said Commercial Unit Owner and the Condominium Board may exercise and perform their respective rights and easements in this Section 10.10 Freely and Without Consent, Payment or Restriction (other than compliance with Section 10.2 above), but the rights and easements in favor of the Condominium Board shall be subject and subordinate to the rights of Sponsor, each Unsold Unit Owner and said Commercial Unit Owners set forth herein. Nothing herein shall prevent a Unit Owner or such Owner's Permitted Tenants/Occupants/Invitees from using the Immediately Adjacent Sidewalks to the Property for ordinary pedestrian passage.

Section 10.11 Permitted Uses of Building Walls and Immediately Adjacent Sidewalks. The foregoing right and easement in Section 10.10 above to use the Building Walls and the Immediately Adjacent Sidewalks to the Residential Space and the General Common Elements include the right, easement and duty, at the sole Cost and Expense of the applicable Party, to erect, install, Maintain, Repair, Alter and otherwise Operate any kind of one (1) or more Signs thereon and therein in accordance with Section 10.18 below as well as any objects, structures, extensions and enclosures thereon and therein. Sponsor, an Unsold Residential Unit Owner, the said Commercial Unit Owners or the Condominium Board (as applicable), and said authorized tenant or occupant of an Unsold Residential Unit or Commercial Unit 1 or 2 (as applicable), may exercise and perform such right and easement Freely and Without Consent, Payment or Restriction, other than the requirement to comply with Section 10.2 above. All Costs and Expenses incurred by the Condominium Board in connection with the exercise and performance of the right and easement in Section 10.10 above with respect to the Building Walls and said Immediately Adjacent Sidewalks shall be part of the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance and compliance with the Special Allocation and Apportionment Rule and Section 339-m.

Section 10.12 Permitted Uses of Vaults. The Condominium Board (with respect to the General Vault #2) and the Owner of Commercial Unit 1 (with respect to Commercial Vault #1) shall each have the following rights and duties with respect to its Vault:

(a) the right, Freely and Without Consent, Payment or Restriction (except as herein expressly provided) to use said Vault for any lawful purpose, including housing of existing as well as new, additional, substitute and other Equipment and Installations related to the permitted Use and Enjoyment of the Units and Common Elements (in the use of the General Vault #2) or Commercial Unit 1 (with respect to Commercial Vault #1);

(b) the duty to pay any governmental vault tax, fee or charge imposed or levied with respect to said Vault; and

(c) the right and duty, at its sole Cost and Expense, to Maintain, Repair and Alter such Vault and the Equipment and Installations now or hereafter housed therein in accordance and compliance with the Building's Maintenance Standard.

The amounts payable by the Condominium Board with respect to General Vault #1 in accordance with the foregoing shall be part of the General Common Expenses, which shall be allocated to all Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests, except all such Costs and Expenses incurred in connection with any Equipment and Installations housed in said Vault #2 that comprise part of the Residential Limited Common Elements shall be included in the Residential Common Expenses and specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and Section 339-m. All new Equipment and Installations constructed and installed in a Vault shall be performed in accordance with the Installation Requirements set forth in Section 10.4.2 above.

Section 10.13 Permitted Uses and Occupancy of Sold Residential Units. Each Sold Residential Unit may be used only as a private dwelling and incidental home occupations permitted by Law, and for no other purpose, and shall be occupied in accordance with all applicable Laws and the requirements of the By-Laws, which limit occupancy of Sold Residential Units to its Owner and the Owner's "household" (as defined below) and (for a limited period) temporary non-paying guests, or a permitted tenant of such Owner, or a permitted subtenant of such permitted tenant, and members of such permitted tenant's or permitted subtenant's household (collectively, "**Occupancy Requirements**"). The term "**household**" includes the following to the extent not prohibited by Law: the Owner's immediate family or an unrelated companion and such companion's dependent children, and domestic employees. If the Owner or a permitted tenant is an Entity, then occupancy by a Related Party of such Entity shall be permitted as occupancy by the Owner or said permitted tenant or subtenant.

Each Sold Residential Unit shall be used in compliance with Section 10.2 above and the other provisions of this Declaration, the By-Laws and the Rules and Regulations, as each may be amended from time to time, including the following requirements and restrictions:

(a) at least eighty percent (80%) of the Sold Residential Unit's indoor floor areas other than kitchen, pantry (if any), bathroom(s), powder room and closets) shall be carpeted or otherwise covered with an equally effective noise reducing material;

(b) singing and practicing musical instruments shall not be allowed before 9:00 a.m. and after 10:00 p.m.;

(c) none of the following shall be allowed: breeding animals or pets for commercial purposes; keeping dangerous or poisonous reptiles, insects or animals; harboring more than a total of four (4) domestic dogs and cats per Sold Residential Unit;

(d) any permitted pet whose behavior is a nuisance to occupants of other Units or is the cause of an unsanitary condition or an offensive odor affecting occupants of other Units or the Common Elements shall be removed unless such behavior or condition is corrected within fifteen (15) calendar days after written notice thereof is given;

(e) all Repairs or Alterations shall be made in compliance with the requirements of the Condominium Documents;

(f) the surface of the glass of windows shall not be painted, colored or otherwise covered and all window shades, blinds, curtains and other treatments shall be light colored or have light colored backings facing the outdoors in conformity with the rules and regulations established from time to time by the Condominium Board and Sponsor (during only the Sponsor Veto Control Period);

(g) the windows and skylights, if any (including panes, mullions, sashes and latches) of, and Unit entrance doors (including hardware and saddles) to, a Sold Residential Unit or its appurtenant Terrace, if any, shall not be replaced or otherwise Altered without obtaining the prior written Discretionary Approvals or Consents of both Sponsor (during only the Sponsor Veto Control Period) and the Condominium Board;

(h) in order to protect the structural integrity and weather tightness of the Building and the safety of lower floors as well as the Immediately Adjacent Sidewalks to the Building, and to preserve the architectural and aesthetic harmony of the Building Walls and minimize possible unsightliness, the Terrace or Planting Terrace appurtenant to a Sold Residential Unit, and the parapets, copings, railings and all other Roof Structures in, under and enclosing such Terrace or Planting Terrace may not be Altered or enclosed, and no fence, partition, plants, landscaping, furnishing, Decorations, planters, structures or objects (collectively, "**Terrace Objects**") shall be constructed, installed or placed on or in a Terrace or Planting Terrace, without obtaining the prior written Discretionary Approvals or Consents of both Sponsor (during only the Sponsor Veto Control Period) and the Condominium Board; and the Planting Terrace (which is only an ornamental or decorative feature of the Building Walls) may not be used, entered or walked upon, except in connection with any required or needed Maintenance or Repair, or permitted Decorations;

(i) barbecuing in Units or on a Terrace or Planting Terrace shall not be allowed;

(j) if the Floor Plans and EXHIBIT B hereto indicates that a Terrace is appurtenant to a Sold Residential Unit but at the time of occupancy of such Sold Unit no pavers, tiles, or other protective flooring or covering is installed to safeguard the Roof adjacent to such Sold Unit, then said adjacent Roof shall not be walked upon, nor shall any Terrace Objects be placed thereon, unless the Owner of such Sold Residential Unit or Sponsor (as applicable), at the sole Cost and Expense of such applicable Party, shall first install pavers, tiles or other protective flooring or covering that safeguards said Roof; such

protective flooring or covering shall be installed in accordance with the Unit Alteration Requirements set forth in Section 5.2.4 of the By-Laws and (only if said Owner is the applicable Party) such protective flooring or covering shall not be installed without obtaining the prior written Reasonable Approvals or Consents of both Sponsor (during only the Sponsor Veto Control Period) and the Condominium Board; and the pavers, tiles or other protective floor or covering that constitute a Terrace or Planting Terrace appurtenant to a Sold Residential Unit shall not be removed, Altered or penetrated without first obtaining the Reasonable Approvals or Consents of both Sponsor (during only the Sponsor Veto Control Period) and the Condominium Board;

(k) radio or television antenna or satellite dishes and other communication devices shall not be installed on or projected from windows, Building Walls, Roofs, or Roof Structures (other than an area of the main Roof, excluding the Terraces, specifically dedicated by the Condominium Board for such purpose, if any); and "For Sale" or "For Rent" or other Signs shall not be installed on, or otherwise displayed from, a Sold Residential Unit's windows, Terrace, Planting Terrace or other areas thereof that are visible from the street; and

(l) a duplicate key to all locks on entrance doors of the Unit shall be given to the Condominium Board or the Building's superintendent or the Managing Agent.

Section 10.14 Required Ownership and Use of Sold Storage Units. The ownership of a Storage Unit is restricted to Sponsor or the Owner of a Residential Unit. As a result, a Purchaser of a Storage Unit under the Plan must also purchase a Residential Unit and may only resell or convey the Storage Unit to another Residential Unit Owner or, upon the resale or conveyance of such Owner's Residential Unit, to the purchaser on such resale or to the succeeding Owner on a conveyance. Each Sold Storage Unit shall be used only for storage of non-inflammable personal belongings and effects of its Owner and the permitted tenants and occupants of such Owner's Sold Residential Unit in accordance with applicable Laws, and for no other purpose. This restriction shall not apply to Unsold Storage Units, which may be used for any lawful purpose. In no event shall an article or material be brought or stored in any Storage Unit that poses a threat to the life, health or safety of the Unit Owners or other occupants of the Building, causes the emission of noxious odors, dirt or other unsanitary conditions or otherwise creates a nuisance.

Section 10.15 Permitted Uses of Unsold Units and Commercial Units. The requirements and restrictions set forth above or elsewhere in this Declaration, the By-Laws and the Rules and Regulations with respect to Sold Units are not applicable to Unsold Residential and Storage Units or the Commercial Units, each of which may be used or changed to be used for any lawful purposes, other than Prohibited Uses. The permitted uses of Unsold Residential and Storage Units include as models and offices for the sale, Promotion, rental, Operation and management of Unsold Residential and Storage Units. The Commercial Units may be used as one or more restaurants, food stores, banks, clothing stores and other retail establishments, whether or not similar to the foregoing. Such permitted uses of the Unsold Residential and Storage Units and the Commercial Units may be noisy, emit odors, involve heavy traffic, and cause other effects that need not necessarily be compatible with the primary use of the Building for dwelling purposes. The Condominium Board and the other Unit Owners will not have the right to approve the use or any changes in the use, or the tenants, occupants or Operation of, or the business conducted in, the Unsold Residential Units or the Commercial Units, or any portions thereof.

Sponsor, each Unsold Unit Owner and each Commercial Unit Owner shall have the exclusive right to make all determinations concerning the use, appearance, occupancy, rental and Operation of, and all Unit Changes to, such Owner's Unit and all portions thereof, Freely and Without Consent, Payment or Restriction, other than the requirement to comply with Section 10.2 above and this 10.15 and to pay Common Charges and Special Assessments in accordance with the Condominium Documents.

Section 10.16 Compliance with Laws. Each Unit Owner, at such Owner's sole Cost and Expense, shall comply with all Laws applicable to such Owner's Unit and (if established) its appurtenant Individual Limited Common Element, including Laws governing use, occupancy, Maintenance, Repairs, Alterations and violations noted or issued with respect to such Owner's Unit and (if established) its appurtenant Individual Limited Common Element, and conditions constituting violations, whether or not noted or issued, other than violations or conditions expressly stated in this Declaration or the By-Laws to be Repaired, cured or corrected by the Condominium Board.

Section 10.17 Changes in Use of Unsold Units and Commercial Units. Sponsor, each Unsold Unit Owner and each Commercial Unit Owner shall have the right to change the use of its Unit from time to time. The foregoing right to change the use of an Unsold Unit or Commercial Unit: (a) includes the right to obtain an Alteration permit or notice or an amended or new Certificate of Occupancy for the Building, or a special permit or other appropriate Government Document required for such change in use and a zoning variance to authorize such change in use; and (b) may be exercised and performed Freely and Without Consent, Payment or Restriction, other than the requirement to comply with Section 10.2 above.

Section 10.18 Signs. The respective Owners of Commercial Units 1 and 2 and (if approved by such Commercial Unit Owner) a tenant of all of part of such Owner's Unit shall have the right, Freely and Without Consent, Payment or Restriction (other than those set forth in Sections 10.2 and 10.11 above), to erect and install one or more Signs on the outdoor and indoor sides of such Owner's Commercial Unit (including the outdoor and indoor sides of its Unit entrance doors, Storefront Windows and Storefront, and on the outdoor side of Building Walls enclosing such Unit (including the portions thereof immediately above the Unit entrance and Storefront of a Commercial Unit), all of which are part of such Unit) and on the Immediate Adjacent Sidewalks to a Commercial Unit, and thereafter to Maintain, Repair, Alter and otherwise Operate same, which Signs may be of any size, content, composition, material, color, design, illumination, character and appearance considered appropriate by such Unit Owner, or a tenant of such Owner's Unit who is expressly so authorized in writing by such Unit Owner, in connection with the sale, rental, Promotion, Operation, management, use, business, identity or other Disposition of such Owner's Commercial Unit.

Sponsor and each Unsold Unit Owner (while Sponsor and such Owner, respectively, own any Unsold Unit), and the permitted tenants who are so expressly authorized in writing by Sponsor or such Unsold Unit Owner (as applicable), shall each have the right, Freely and Without Consent, Payment or Restriction (but subject to compliance with Sections 10.2 and 10.11 above), to erect and install one or more Signs in or on the Common Elements (including in particular, but not limited to: the Building Walls; the Roofs and Roof Structures (but not on the Terraces or Planting Terrace enclosed thereby); the 130 West 30th Street Public Areas; and other portions of the General Common Elements and Residential Limited Common Elements) and the Immediately Adjacent Sidewalks to the Property, and thereafter to Maintain, Repair, Alter and otherwise Operate same, which Signs may be of any size, content, composition, material, color, design, illumination, character and appearance considered appropriate by

Sponsor, such Unsold Unit Owner or said authorized tenant in connection with the sale, rental, Promotion, Operation, management, use, business, identity or other Disposition of such Owner's Unit.

Section 10.19 Limited Power of Attorney. Any application or other document necessary or convenient to the exercise by Sponsor, an Unsold Unit Owner or a Commercial Unit Owner (as applicable) to obtain an Alteration permit or notice or an amended or new Certificate of Occupancy for the Building or other appropriate Government Document required to change a use of its Unit pursuant to Section 10.17 above, or the erection, installation, Maintenance, Repair, Alteration or other Operation of Signs pursuant to Section 10.18 above, may be completed, signed and delivered by such Party without the signatures or consents of other Unit Owners or the Condominium Board. Nonetheless, the Condominium Board shall, with reasonable promptness, execute and deliver to said applicable Party any such application or other document as provided in the following Section 10.20 and the Unit Owners and Board hereby grant to Sponsor, each Unsold Unit Owner and each Commercial Unit Owner, severally, an irrevocable, durable power of attorney, "coupled with an interest" and granted for valuable consideration, with full power of substitution, to execute and deliver any such application or other document as attorney-in-fact in the name and on behalf of the Condominium Board and Unit Owners. Such execution and delivery thereof by Sponsor, an Unsold Unit Owner or a Commercial Unit Owner (as applicable) shall not require the consent of the Condominium Board and/or the other Unit Owners. Sponsor, an Unsold Unit Owner or a Commercial Unit Owner who makes such permitted use of the Common Elements or the Immediately Adjacent Sidewalks to the Property pursuant to Section 10.18 above, or submits any application or document pursuant to the foregoing, shall indemnify the Condominium Board, its Board Members, officers, agents, employees and attorneys, and all other Unit Owners from and against any Claims and Liabilities and Expenses arising out of, or in connection with, such use and/or such application or document, as the case may be. Sponsor, such Unsold Unit Owner or such Commercial Unit Owner (as applicable), at its sole Cost and Expense, shall Repair any damage caused by such use of the Common Elements or Immediately Adjacent Sidewalks and (when such use ends) shall restore the affected areas and any Installations to as near as reasonable and economically practical to their former condition before such use began.

Section 10.20 Cooperation of Board. The Condominium Board shall fully cooperate with Sponsor, each Unsold Unit Owner and each Commercial Unit Owner in connection with their respective rights to change the use of their respective Units pursuant to Section 10.17 above and to erect, install, Maintain, Repair, Alter and otherwise Operate Signs pursuant to Section 10.18 above. In furtherance of such cooperation, the Condominium Board shall properly complete, sign, notarize (if required) and return to Sponsor, said Unsold Unit Owner or said Commercial Unit Owner (as applicable), and such Party shall receive, within ten (10) calendar days after written request therefor is hand delivered or mailed to the Condominium Board or Managing Agent, any Government Document required in connection with such change in use (including any Government Document to obtain an Alteration permit or notice or amended or new Certificate of Occupancy for the Building or a zoning variance) or Sign. Sponsor, such Unsold Unit Owner or such Unit Owner (as applicable):

(a) shall pay or reimburse the Condominium Board for any governmental fees and charges in connection with each such Government Document; and

(b) shall indemnify (with attorneys selected by Sponsor, such Unsold Unit Owner or such Commercial Unit Owner, as applicable) the Condominium Board and its officers, Board Members, employees, agents (including Managing Agent) and attorneys, and all Unit

Owners, from and against all Claims and Liabilities and Expenses resulting from the execution of the Government Document, other than any fees or charges of any attorney, architect, engineer or other professional or consultant engaged by the Board to review such Government Documents or to render advice with respect thereto (which shall be borne by the Condominium Board as part of the Residential Common Expenses).

Section 10.21 **Construction of Units and Common Elements**. Sponsor has the right, Freely and Without Consent, Payment or Restriction (other than compliance with Section 10.2 above), at Sponsor's sole Cost and Expense, to construct, Alter and outfit the Units and the Common Elements pursuant to Sponsor's Plans and Specifications and, in connection therewith, to make all determinations with respect thereto, including all construction specifications, materials and other details. In furtherance thereof, Sponsor and its Agents, Employees and Contractors shall have the right, and shall be given, reasonable access to the Common Elements (including the public portions of the Residential Limited Common Elements and the elevators) in connection with the performance of Sponsor's Plan Obligations, including all Work related thereto in order to obtain a permanent Certificate of Occupancy authorizing the use and occupancy of all Units for their permitted uses under this Declaration. Such access shall be exercised and performed so as to not unreasonably prevent or interfere with, but may temporarily interrupt, the permitted use and Operation of Units. For example, Sponsor shall have the right to temporarily interrupt and discontinue elevator, electrical, water, plumbing and other Building Systems during the course of such Work, but shall give, or cause the Managing Agent to give, the affected Unit Owners reasonable advance oral or written notice before so doing (except no notice need be given in the case of an emergency). In the event of damage to a Unit or the Common Elements caused by Sponsor or its Agents, Employees and Contractors, Sponsor's only obligation will be to Repair and restore the affected area to as near as reasonable and economically practical to its condition immediately before being damaged. In no event will Sponsor or its Agents, Employees or Contractors be liable for actual, consequential, special or other damages or losses based thereon.

ARTICLE 11

EASEMENTS, RIGHTS AND RESTRICTIONS AFFECTING THE COMMON ELEMENTS

Section 11.1 **General Common Elements.** The following Persons are hereby granted easements and rights, in common, for ingress and egress to, from, through, across and on the public and common areas of the General Common Elements and for the general Use and Enjoyment of the General Common Elements in accordance and compliance with Articles 10, 11 and 12 hereof ("**General Common Elements Easements**"), and the General Common Elements shall be subject to such General Common Elements Easements:

(a) each and every Unit Owner and Permitted Tenants/Occupants/ Invitees of Units;

(b) all Board Members and officers of the Condominium Board and all Persons authorized by them, including (to the extent authorized) their Agents, Employees and Contractors, licensees and invitees; and

(c) all Persons authorized by Sponsor (while Sponsor owns an Unsold Unit), an Unsold Unit Owner or a Commercial Unit Owner, including (to the extent authorized) their respective Agents, Employees and Contractors, licensees and invitees.

Section 11.2 **Residential Limited Common Elements.** The following Persons are hereby granted easements and rights, in common, for ingress and egress to, from, through, across and on the public and common areas of the Residential Limited Common Elements and for the permitted Use and Enjoyment of the Residential Limited Common Elements in accordance and compliance with Articles 10, 11 and 12 hereof ("**Residential Limited Common Elements Easements**"), and the Residential Limited Common Elements shall be subject to such Residential Limited Common Elements Easements:

(a) each and every Residential and Storage Unit Owner and Permitted Tenants/Occupants/Invitees of Residential and Storage Units;

(b) all Residential Board Members and officers of the Condominium Board elected by them, and all Persons authorized by them, including (to the extent authorized) their Agents, Employees, Contractors, licensees and invitees;

(c) (in furtherance of the rights and easements granted to the Commercial Unit Owners in Articles 10, 11 and 12 hereof) the Commercial Unit Owners and each such Owner's Permitted Tenants/Occupants/Invitees, and the respective Agents, Employees and Contractors, and licensees, of each of the foregoing; and

(d) (in furtherance of the rights and easements reserved to Sponsor and granted to Unsold Residential and Storage Unit Owners in Articles 10, 11 and 12 hereof) Sponsor and Sponsor's Related Parties and Sponsor's authorized Agents, Employees and Contractors, licensees and invitees (including utility and telecommunications providers, brokers and prospective Purchasers and renters of Unsold Residential and Storage Units).

Section 11.3 **Commercial Limited Common Elements.** The following Persons are hereby granted easements and rights, in common, for ingress and egress to, from, through, across and on the public and common areas of the Commercial Limited Common Elements (if established) and for the permitted Use and Enjoyment of the Commercial Limited Common Elements in accordance and compliance with Articles 10, 11 and 12 hereof ("**Commercial Limited Common Elements Easements**"), and the Commercial Limited Common Elements shall be subject to such Commercial Limited Common Elements Easements:

(a) each and every Commercial Unit Owner and Permitted Tenants/ Occupants/Invitees of Commercial Units; and

(b) the Commercial Board Members and the officers of the Condominium Board elected by such Board Members, and all Persons authorized by Commercial Board Members and said officers, including (to the extent authorized) their Agents, Employees and Contractors, licensees and invitees.

Section 11.4 **Mutual Rights.** Each of the Persons granted General Common Elements Easements, Residential Limited Common Elements Easements or Commercial Limited Common Elements Easements shall mutually Use and Enjoy the applicable Common Elements in a manner that does not unreasonably exclude, prevent, interfere with, hinder or encroach upon the easements and rights of fellow Persons to whom such easements have been granted.

Section 11.5 Individual Limited Common Elements. Each of the following Persons is hereby granted an easement and right for the exclusive or substantially exclusive permitted Use and Enjoyment of the Individual Limited Common Element appurtenant to a specified Residential Unit or Commercial Unit (if established) in accordance and compliance with Articles 10, 11 and 12 hereof (**"Individual Limited Common Elements Easement"**), and the Individual Limited Common Elements shall be subject to such Individual Limited Common Elements Easement: the applicable Owner of such Unit and Permitted Tenants/Occupants/ Invitees of the Unit.

Section 11.6 Subordination. The easements and rights reserved to Sponsor and granted to each Unsold Unit Owner and each Commercial Unit Owner for the permitted Use and Enjoyment, access or otherwise with respect to the Common Elements, as stated in this Declaration in Article 10, elsewhere in this Article 11 and Articles 12 and 13, are paramount, superior and take preference over all of the easements and rights granted in Sections 11.1 through 11.3 above (the latter Sections being subject and subordinate to such easements and rights in favor of Sponsor, each Unsold Unit Owner and each Commercial Unit Owner as set forth therein). In addition, the Common Elements are subject to, and all of the easements and rights granted in Sections 11.1 through 11.3 and 11.5 above are subject and subordinate to:

(a) the requirements and prohibitions as to the Use and Enjoyment of the Common Elements set forth in Section 10.2 above;

(b) the rights and obligations of the Condominium Board to properly Maintain, Repair, Alter and otherwise Operate the Common Elements and the Building in accordance and compliance with this Declaration, the By-Laws and the Rules and Regulations, as each may be duly amended from time to time;

(c) the easements and rights reserved to Sponsor and granted to the Condominium Board, Unsold Unit Owners, the Commercial Unit Owners and other Persons elsewhere in this Article 11 and in Article 12 below;

(d) the encroachments set forth in Article 12 below; and

(e) an easement and right hereby reserved to Sponsor (while Sponsor owns any Unsold Unit) and granted to each Unit Owner for the exclusive use of that portion of the Limited Common Elements appurtenant to such Owner's Unit that is incorporated in or made part of the Owner's Unit pursuant to Article 13 below.

Section 11.7 Easements Affecting Common Elements for Ingress, Egress, Access and Use. Sponsor hereby reserves for itself (while Sponsor owns any Unsold Unit) and grants to each and every Unsold Unit Owner and each Commercial Unit Owner (while each such Owner owns said Unit), and their respective tenants who are so expressly authorized in writing by Sponsor, an Unsold Unit Owner or a Commercial Unit Owner (as applicable), as well as their respective authorized Agents/Employees/ Contractors and licensees, easements and rights of ingress and egress to, from, through, across and on, access to, and use of the Common Elements (including both the General Common Elements and the Residential Limited Common Elements) for all lawful purposes in connection with the exercise or performance of Sponsor's/Commercial Owners' Rights, Plan Obligations and Tenant Obligations (as provided in Section 12.7 below), as well as the use, occupancy, Maintenance, Repair, Alteration and any other Operation or other Disposition of their respective Unsold Units or Commercial Units (as

applicable) and (if established) the Individual Limited Common Elements appurtenant thereto. The easements and rights in this Section 11.7:

(a) may be exercised and performed Freely and Without Consent, Payment or Restriction, other than the requirements: (a-1) to comply with Section 10.2 above; (a-2) not to permanently prevent, nor unreasonably interrupt or interfere with, the permitted Use and Enjoyment of a Sold Unit; and (a-3) to Repair any damage caused by the exercise and performance of such easements and rights so as to restore the damaged area and any Installation to as near as reasonable and economically practical to the condition existing immediately prior to such exercise and performance; and

(b) are superior, paramount and take preference over the easements and rights of the Condominium Board and other Unit Owners to use the General Common Elements and the Residential Limited Common Elements.

Section 11.8 Emergency. The Condominium Board and each Unit Owner, such Owner's Permitted Tenants/Occupants/Invitees, and the authorized Agents, Employees and Contractors of each of the foregoing, shall have an easement and right of emergency ingress and egress to, from, through, across and on the public and common areas of the General Common Elements and (to the extent reasonably necessary) the Residential Limited Common Elements and such areas of the Common Elements shall be subject thereto.

Section 11.9 Existing Services. Notwithstanding any other provision of this Declaration or the By-Laws to the contrary, the Condominium Board on behalf of all Unit Owners (with respect to the General Common Elements) or on behalf of only all Residential and Storage Unit Owners (with respect to the Residential Limited Common Elements) and each Commercial Unit Owner (with respect to the Commercial Equipment and related Installations serving and part of such Owner's Commercial Unit) shall have easements and rights for: (a) the Use and Enjoyment of any and all Equipment and Installations (including pipes, wires, ducts, cables, conduits, utilities and applicable Building Systems) that, at the date of First Closing of a Residential Unit under the Plan or the issuance of a permanent Certificate of Occupancy of the Building (whichever is the later to occur), serve or benefit all or a portion of the General Common Elements or Residential Limited Common Elements or a Commercial Unit (as applicable), wherever located in, on or under the Property or Building; and (b) for ingress and egress to, from, through, across and on the Common Elements and (to the extent necessary) the Units in order to Maintain, Repair, Alter and otherwise Operate such Equipment and Installations, and the Common Elements and the Units shall be subject thereto. Such easements and rights include the easement and right of ingress and egress to, from, through, across and on: (a) the Commercial Unit by the Condominium Board and its authorized Agents, Employees and Contractors in order to Maintain, Repair, Alter and otherwise Operate any and all Equipment and Installations comprising the General Common Elements or the Residential Limited Common Elements; and (b) the Common Elements (including, to the extent necessary, elevators, public stairs and other public portions of the Residential Limited Common Elements) by a Commercial Unit Owner and such Owner's authorized Agents, Employees and Contractors in order to erect, install, Maintain, Repair, Alter and otherwise Operate any and all Commercial Equipment and Installations serving such Owner's Commercial Unit, including any Commercial Equipment on the subcellar or cellar, or the main Roof, and related Installations which exclusively serve said Commercial Unit.

All Equipment and Installations of the Residential Space that serve or benefit a Commercial Unit, and vice versa, if any, shall continue until the Condominium Board (in the case of services

provided by the Residential Space) or the Owner of such Commercial Unit (in the case of services provided by a Commercial Unit), at such Party's sole Cost and Expense, provides and installs (in accordance with Article 15 below) independent services and benefits to said Commercial Unit or the Residential Space (as applicable) that are substantially comparable (in efficiency, performance, function, capacity and utility) to those being discontinued. All such Costs and Expenses incurred by the Condominium Board shall be part of the Residential Common Expenses, which shall be specially allocated only to all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and said Section 339-m.

Section 11.10 **Relocation from Vault.** In the event The City of New York revokes permission to use the General Vault #2 under the sidewalk adjacent to the Property, the Condominium Board is hereby granted an easement and right to relocate the Equipment and Installations comprising the Common Elements then housed in such Vault to other portions of the Common Elements as shall be determined by the Condominium Board. The Condominium Board shall exercise the foregoing easement and right in a manner that does not prevent, nor unreasonably and materially interrupt or interfere with, the permitted Use and Enjoyment of another Unit or an Owner or Permitted Tenants/Occupants/Invitees of another Unit, and such easement and right shall be subject to this requirement and restriction.

Section 11.11 **Utility Easements and Rights.** In order to provide "utility services" (defined below) to the Units and Common Elements, Sponsor hereby reserves for itself to grant easements, licenses, leases, concessions and rights for utility services (collectively, "**Utility Easements and Rights**") in accordance with Sponsor's Plans and Specifications for the Building. Sponsor hereby further reserves for itself (while Sponsor owns any Unsold Unit) and hereby grants to the Condominium Board on behalf and as agent of all Unit Owners (with respect to the General Common Elements) or only all Residential and Storage Unit Owners (with respect to the Residential Limited Common Elements), the right to grant such additional, new and substitute Utility Easements and Rights for utility services, and to relocate then existing utility services, with respect to any portion of the General Common Elements or Residential Limited Common Elements (as applicable) as Sponsor or the Condominium Board, as applicable, shall determine to be necessary or desirable for the permitted Use and Enjoyment of all or part of the Common Elements or the Residential Space (collectively, "**Additional Utility Easements/Rights**"), and the Common Elements and each Unit shall be subject thereto. The term "**utility services**" includes: electric; gas; cable or wireless television; telephone, cellular phone, computer, media or other communication service; water; sewer; storm drainage; and other utilities.

Sponsor hereby reserves for itself (while Sponsor owns any Unsold Unit), and grants to each and every Unsold Unit Owner and the Commercial Unit Owners (while each such Owner owns said Unit), and to the tenants of such Units and other Persons who are so expressly authorized in writing by Sponsor or an Unsold Unit Owner or a Commercial Unit Owner (as applicable), easements and rights with respect to Communications Equipment and Other Installations as provided in Section 11.14 below.

All of the easements and rights provided in this Section 11.11 are subject to compliance with Sections 11.12 and 11.13 below.

Section 11.12 **Access by Utility.** Each existing and future provider (including the grantee of an Additional Utility Easement/Right) of a utility service to the Building or any portion

thereof or to either or both of the Residential Space and the Commercial Units and such provider's authorized Agents, Employees and Contractors, shall have (and shall be given) an easement and right of reasonable access to, from, through, across and on the Property, including the Building and any portion thereof and the Units, to the extent reasonably necessary to erect, install, Maintain, Repair, Alter and otherwise Operate all Equipment and Installations related to such utility service (including reading meters), subject to compliance with the following Section 11.13.

Section 11.13 **Requirements for Access By Utility.** Each utility service easement and right of access granted by Sponsor or the Condominium Board pursuant to Section 11.11 above may be exercised and performed by the provider of a utility service and its authorized Agents, Employees and Contractors, Freely and Without Consent, Payment or Restriction other than the following, which shall also apply to each easement and right of access in favor of Sponsor or the Condominium Board under Section 11.9 above (the Sponsor or Condominium Board granting or exercising such easement and right of access is herein called "**Grantor**"):

(a) the requirement to comply with Article 15 below, including the applicable Work Requirements set forth in Section 15.2;

(b) the requirement and restriction to not permanently prevent, nor unreasonably and materially interrupt or interfere with, the permitted Use and Enjoyment of any Unit or its Owner or Permitted Tenants/Occupants/Invitees; and

(c) the obligation to Repair, at the sole Cost and Expense of such provider (or the Grantor, if the provider fails to so do) any damage caused by the exercise and performance of such easement and right of access so as to restore the damaged area and any Equipment and Installation to as near as reasonable and economically practicable to the condition existing immediately prior to such exercise and performance.

Section 11.14 **Communications and Other Installation Easements and Rights.**

Section 11.14.1 Easements and Rights. Sponsor hereby reserves for itself (while Sponsor owns any Unsold Unit), and hereby grants to each and every Unsold Unit Owner and the Commercial Unit Owners (while each such Owner owns said Unit), and to the respective tenants of such Units and other Persons who are so expressly authorized in writing by Sponsor, an Unsold Unit Owner or a Commercial Unit Owner (as applicable), the exclusive and paramount easements and rights, Freely and Without Consent, Payment or Restriction (other than those provided in subsection 11.14.2 below), to do the following and to grant leases, licenses and rights to utility providers to do the following:

(a) to erect and install Communications Equipment and Other Installations in any one or more locations that is not then being occupied by other Building Installations: (a-1) on and along the Building Walls and on and along the Building's Roofs (including Roof Structures, but not a Terrace or Planting Terrace enclosed thereby) and bulkheads; (a-2) on any outdoor Equipment (such as a water tank and elevator machine room) or their enclosures comprising the Common Elements and in any Equipment rooms comprising the Common Elements in the subcellar or cellar; and (a-3) in any non-public or non-habitable portions of the Common Elements;

(b) to thereafter co-locate, lease, license, Maintain, Repair, Alter and otherwise Operate such Communications Equipment and Other Installations thereon and therein; and

(c) to erect and install partitions separating such Communications Equipment and Other Installations from their surroundings,

and the Property (including the General Common Elements and Residential Space) shall be subject thereto and subject to an easement and right of reasonable access to, from, through, across and on the Common Elements (including the General and Residential Limited Common Elements) by Sponsor, an Unsold Unit Owner, a Commercial Unit Owner and such authorized tenants and other Persons, and their respective authorized Agents, Employees and Contractors and licensees, for all purposes in connection with the exercise and performance of the foregoing easements and rights. All Communications Equipment and Other Installations shall remain the property of the Party installing same (i.e., Sponsor, an Unsold Unit Owner, a Commercial Unit Owner or a provider of a utility service, as applicable).

Section 11.14.2 Rights and Obligations. Sponsor, an Unsold Unit Owner or a Commercial Unit Owner (as applicable):

(a) shall give reasonable advance written notice to the Condominium Board of the type and proposed location of any Communications Equipment and Other Installations before same are erected or installed;

(b) shall receive and retain (without participation by the Board or other Unit Owners) all rents, fees and other consideration payable under such lease, license or right of use;

(c) shall be solely obligated to pay and perform all obligations under such lease, license or right of use (other than obligations of the Board to Maintain and Repair the Common Elements as provided elsewhere in this Declaration or the By-Laws);

(d) shall comply, or shall cause the utility provider to comply, with Section 10.2 above, including the applicable requirements of Article 15 below (except that this Section 11.14 shall govern and supersede any inconsistency between the provisions hereof and said Article 15);

(e) shall not invade, penetrate or disturb a substantial portion of any rentable, exposed public indoor areas of the Common Elements, other than for a reasonably temporary period;

(f) shall not permanently prevent, nor unreasonably interrupt or interfere with: the permitted Use and Enjoyment of the Units, or the proper and efficient performance, function, capacity or utility of the Equipment and Installations serving Units, or the permitted use or occupancy of Residential and Storage Units;

(g) shall Repair, or shall cause the utility provider to Repair, at the sole Cost and Expense of the Party exercising such easements and rights, any damage to the Common Elements or a Unit caused by the exercise and performance of such easements and rights so as to restore the damaged area and any Equipment and Installations to as near as reasonable and economically practical to the condition existing immediately prior to such exercise and performance;

(h) shall indemnify the Condominium Board, and the Board's officers, Board Members, agents (including Managing Agent), employees and attorneys, and Unit Owners, from and against all Claims and Liabilities and Expenses arising in connection with the exercise and performance of such easements and rights;

(i) shall have access to, from, through and across and on, and may enter, any public or non-public portions of the Common Elements at such times as shall be reasonably convenient and on giving reasonable prior written notice to the Condominium Board, which shall have the right to have a representative present at all times during such entry; and

(j) shall comply with any reasonable security and protection procedures and requirements as may reasonably be required by the Condominium Board, whenever entering any commercially rentable, exposed public portion of the Common Elements, provided such procedures and requirements shall not preclude such entry.

ARTICLE 12

EASEMENTS, RIGHTS AND RESTRICTIONS AFFECTING UNITS AND COMMON ELEMENTS

Section 12.1 Easements Affecting All Units and Common Elements.

Section 12.1.1 Standard Easements. The Condominium Board and its Agents, Employees and Contractors are hereby granted an easement and right of access to, from, through, across and on all Units and all portions of the Common Elements for the following purposes, and all Units and all portions of the Common Elements shall be subject thereto:

(a) to conduct inspections and read meters;

(b) to Maintain, Repair, Alter and otherwise Operate all areas, Equipment, Installations and other Facilities now or hereafter comprising the Common Elements and to provide services to the Residential Space and the Commercial Units, in accordance and compliance with the Condominium Documents; and

(c) to perform Maintenance, Repairs, Alterations and other Work necessary: (c-1) to fulfill the obligations of the Board under the Condominium Documents or applicable Laws; (c-2) to prevent damage to another Owner's Unit or the Common Elements or any portion thereof; (c-3) to remedy violations noted or issued against the Property by any Governmental Authority that affect the Common Elements or another Unit or (if established) its appurtenant Individual Limited Common Element and to remedy any conditions that would constitute such violations even though not yet noted or issued; (c-4) to remedy any default by a Unit Owner under the Condominium Documents that shall have continued beyond the cure period, if any, provided for therein; or (c-5) to remedy any condition in a Unit or the Common Elements that is a threat or danger to another Unit or a portion of the Common Elements or to avoid the suspension of any necessary service.

Section 12.1.2 Standard Requirements. Such easement and right of access in the preceding subsection 12.1.1 may be exercised and performed by the Condominium Board and

its Agents, Employees and Contractors Freely and Without Consent, Payment or Restriction, other than:

(a) the requirement to comply with Section 10.2 above, including the applicable requirements set forth in Article 15 below (except that this Section 12.1 shall govern and supersede any inconsistency between the provisions hereof and said Article 15);

(b) in the case of access pursuant to clauses (a), (b) and (c) in the preceding Section 12.1.1, other than clauses (c-4) and (c-5) thereof: (b-1) if not involving an emergency (i.e., a condition which threatens the life, health or safety of any Persons or damage to property or the suspension of any necessary service), the requirement to give the applicable Unit Owner at least three (3) business days (if served by mail) or one (1) business day (if served by hand delivery) advance written notice of the date and time scheduled by the Condominium Board to enter the Unit or (if established) its appurtenant Limited Common Element; or (b-2) if involving an emergency, access to a Unit may be immediate without advance notice;

(c) in the case of access pursuant to clauses (c-4) or (c-5) in the preceding Section 12.1.1: (c-1) if not involving an emergency, the requirement of the Board to give the applicable Unit Owner reasonable advance written notice of the proposed Maintenance, Repairs, Alterations or other Work and an opportunity to perform and complete same within ten (10) calendar days of receipt of such notice or (if same cannot with due diligence and continuity be performed and completed within such ten (10) calendar day period) such longer period as shall be required to perform and complete same with due diligence and continuity (but not longer than 90 calendar days), provided such Unit Owner shall commence to perform the Maintenance, Repairs, Alterations or other Work within five (5) calendar days following receipt of said notice and shall continue to prosecute same with due diligence and continuity until completion; or (c-2) if involving an emergency, access may be immediate, without advance notice and without giving the applicable Unit Owner an opportunity to perform the Maintenance, Repairs, Alterations or other Work;

(d) the obligation of the Condominium Board, as a Residential Common Expense or General Common Expense (as applicable), to Repair any damage caused by the exercise and performance of such easement and right of access so as to restore the damaged area and any Equipment and Installations to as near as reasonable and economically practical to the condition existing immediately prior to such exercise and performance; and

(e) the obligation of the Condominium Board, as a Residential Common Expense or General Common Expense (as applicable), to indemnify the affected Unit Owner from and against all Claims and Liabilities and Expenses arising from the exercise and performance of this easement and right of access by the Board or its authorized Agents, Employees and Contractors.

Section 12.1.3 Communications Equipment and Other Installations. The General Common Elements and Residential Limited Common Elements are also subject to the rights and easements in favor of Sponsor, Unsold Unit Owners, the Commercial Unit Owners and other Persons to erect and install, or to grant leases, licenses and rights to utility providers to erect and install, Communications Equipment and Other Installations, and thereafter to Maintain, Repair, Alter and otherwise Operate same and replacements thereof and additions thereto, as set forth in Section 11.14 above.

Section 12.2 **Reciprocal Easement Affecting the Commercial Units.** If and to the extent only any Equipment or other Installations comprising the General Common Elements or Residential Limited Common Elements are located in, adjacent to or bordering a Commercial Unit now or on the date of First Closing of a Residential Unit under the Plan or the date of issuance of a permanent Certificate of Occupancy of the Building (whichever is the later to occur), the Condominium Board, and those Agents, Employees and Contractors who are so expressly authorized in writing by the Condominium Board, are hereby granted an easement and right of reasonable access to, from, through, across and on such Commercial Unit to erect, install, Maintain, Repair, Alter and otherwise Operate any and all such Equipment and Installations (including replacements of then existing Equipment and Installations, if any, with new Equipment and Installations) substantially within the confines of their then current spaces and locations. Such easement and right may be exercised and performed Freely and Without Consent, Payment or Restriction, other than the following:

(a) the requirement to comply with Section 10.2 above, including the applicable requirements of Article 15 below (except this Section 12.2 shall govern and supersede any inconsistency between the provisions hereof and said Article 15);

(b) the restrictions and limitations: (b-1) not to unreasonably invade, penetrate or disturb any commercially rentable, exposed indoor public areas of said Commercial Unit other than for a reasonably temporary period; and (b-2) not to permanently prevent, nor unreasonably interrupt or interfere with, the permitted Use and Enjoyment of said Commercial Unit (or any portion thereof), or the proper and efficient performance, function, capacity or utility of the Commercial Equipment or the Operation or business of said Commercial Unit Owner or the tenants or occupants of said Commercial Unit or any portion thereof;

(c) the obligation to Repair any damage to said Commercial Unit caused by the exercise and performance of such easement and right so as to restore the damaged area and any Installations to as near as reasonable and economically practical to the condition existing immediately prior to such exercise and performance (the Costs and Expenses of such Repair shall be part of the Residential Common Expenses);

(d) the further obligation of the Condominium Board, as a Residential Common Expense, to indemnify said Commercial Unit Owner, and such Owner's agents and employees, from and against all Claims and Liabilities and Expenses arising in connection with the exercise and performance of such easement and right; and

(e) in the event access and entry to any commercially rentable area of such Commercial Unit is required: (e-1) such access and entry shall be at such times reasonably convenient and on giving reasonable prior written notice to the Commercial Unit Owner, who shall have the right to have a representative present at all times during such entry; and (e-2) such access and entry shall comply with any security and protection procedures and requirements as may be reasonably required by the Owner of such Commercial Unit, or an affected tenant or occupant of such Unit, provided such procedures and requirements shall not preclude such entry.

Section 12.3 **Reciprocal Easement Affecting the General Common Elements and Residential Space.** If and to the extent only that Commercial Equipment and/or other Installations comprising part of a Commercial Unit: (a) are located in, adjacent to or bordering the General Common Elements or the Residential Space now or on the date of First Closing of

a Residential Unit under the Plan or the date of issuance of a permanent Certificate of Occupancy of the Building (whichever is the later to occur), or (b) are permitted to be installed in, on and along the General Common Elements and Residential Limited Common Elements by a Commercial Unit Owner in accordance with Section 10.4 above, the Sponsor hereby grants to the Owner of such Commercial Unit Owner and the tenants and other Persons who are expressly so authorized in writing by the Commercial Unit Owner, and the respective authorized Agents, Employees and Contractors of each of the foregoing, an easement and right of reasonable access to, from, through, across and on the General Common Elements and the Residential Space to erect, install, Maintain, Repair, Alter and otherwise Operate any and all such Commercial Equipment and Installations (including replacements of then existing Commercial Equipment and Installations, if any, with new Commercial Equipment and Installations) substantially within the confines of their then current or permitted new spaces and locations. Such easement and right may be exercised and performed Freely and Without Consent, Payment or Restriction, other than the following:

(a) the requirement to comply with Section 10.2 above, including the applicable requirements of Article 15 below (except this Section 12.3 shall govern and supersede any inconsistency between the provisions hereof and said Article 15);

(b) the restrictions and limitations: (b-1) not to invade, penetrate or disturb any commercially rentable, exposed indoor public areas of the Residential Space, other than for a reasonably temporary period; and (b-2) not to permanently prevent, nor unreasonably interrupt or interfere with, the permitted Use and Enjoyment of the Residential Space (or any portion thereof), or the proper and efficient performance, function, capacity or utility of the Residential Equipment;

(c) the obligation of said Commercial Unit Owner, at such Owner's sole Cost and Expense, to Repair any damage to the Residential Space caused by the exercise and performance of such easement and right so as to restore the damaged area and any Installations to as near as reasonable and economically practical to the condition existing immediately prior to such exercise and performance;

(d) the further obligation of said Commercial Unit Owner, at such Owner's sole Cost and Expense, to indemnify the Board and the affected Residential and Storage Unit Owners, and their respective agents and employees, from and against all Claims and Liabilities and Expenses arising in connection with the exercise and performance of such easement and right; and

(e) in the event access and entry to any commercially rentable or public area of the Residential Space is required: (e-1) such access and entry shall be at such times reasonably convenient and on giving reasonable prior written notice to the Board and a directly affected Residential and/or Storage Unit Owner, each of whom shall have the right to have a representative present at all times during such entry; and (e-2) such access and entry shall comply with any security and protection procedures and requirements as may be reasonably required by the Board and such affected Residential and/or Storage Unit Owner or an affected tenant or occupant of such Unit, provided such procedures and requirements shall not preclude such entry.

Each Residential or Storage Unit Owner and those Agents, Employees and Contractors who are so expressly authorized in writing by such Residential or Storage Unit Owner shall have: (a) a similar easement and right to erect, install, Maintain, Repair, Alter and otherwise Operate

any Equipment and Installations appurtenant to such Owner's Residential or Storage Unit that is located in, adjacent to or bordering another Residential or Storage Unit or the Common Elements; and (b) a similar right to exercise such easement and right Freely and Without Consent, Payment or Restriction other than those set forth in clauses (a) through (e) above and the requirement to obtain the consents or approvals of the Condominium Board and Sponsor (during only the Sponsor Veto Control Period) for Repairs and Alterations if, as and to the extent set forth elsewhere in this Declaration or the By-Laws.

Section 12.4 **Easements of Support, Necessity, Utilities and Services.** Each Unit Owner (with respect to the Owner's Unit) and all Unit Owners (with respect to the Common Elements), and the Permitted Tenants/Occupants/Invitees of each Unit, are hereby granted rights and easements of subjacent support, emergency and necessity as well as for utilities and other services being commonly provided or available to Units, and each Unit and the Common Elements shall be subject to such rights and easements. The foregoing rights and easements include a right and easement in favor of all Owners, tenants and occupants of Units and all other Persons visiting Units or working in the Building for emergency ingress and egress to, from, through, across and on the Common Elements as and to the extent required by fire safety requirements of the building code or other applicable Laws.

Section 12.5 **Easements Allowing Encroachments.** Each Unit and the Common Elements have and shall have, and are and shall be subject to, easements and rights for the existence, continuation and Maintenance of encroachments by any Unit on other Units and/or a portion of the Common Elements, or an encroachment by a portion of the Common Elements on any Unit and/or other portions of the Common Elements, for so long as the Building or the affected Unit or Common Element shall stand, if and to the extent now existing or hereafter arising as a result of: (a) the Building or any portion thereof settling or shifting naturally; or (b) a Maintenance, Repair, Alteration or other Work by the Condominium Board or a Unit Owner performed in accordance with this Declaration and the By-Laws following a fire or other cause, or a taking by condemnation or eminent domain; or (c) a Maintenance, Repair, Alteration or other Work permitted in, and performed in accordance with, this Declaration or the By-Laws.

Section 12.6 **Statutory Easements.** In addition to the specific easements reserved and granted in Articles 11 and 12 and elsewhere in this Declaration and the By-Laws, the Property and every portion thereof (including the Common Elements and the Units) and the respective Owners and Permitted Tenants/Occupants/Invitees of Units and the Condominium Board, shall have and shall be subject to all easements and rights of use and access required by, or set forth in, the Condominium Act and other applicable Law.

Section 12.7 **Sponsor Easements for Sponsor's Rights and Obligations.** Sponsor hereby reserves for itself (while Sponsor owns any Unsold Unit) and grants to each and every Unsold Unit Owner (while such Owner owns said Unit), and their respective authorized Agents, Employees and Contractors, easements and rights of access (for ingress and egress) to, from, through, across and on, and for use of, the Common Elements (including in particular, but not limited to: the 130 West 30th Street Public Areas; the elevators; the common or public corridors and halls; the public stairs; the Building Walls; the Roofs and Roof Structures (but not the Terraces or Planting Terrace enclosed thereby); and all other public and non-public portions of the General Common Elements and Residential Limited Common Elements) and the Immediately Adjacent Sidewalks to the Property for all lawful purposes, including the following:

(a) to sell, rent, Promote, Operate, manage and make any other Disposition of Sponsor Units and Unsold Units, including: (a-1) to erect, install, Maintain, Repair and Alter furnishings, wall and floor coverings and other Decorations in and on the 130 West 30th Street Public Areas and other portions of the Residential Limited Common Elements; (a-2) to station sales and rental staff in the 130 West 30th Street Public Areas; (a-3) to erect, install, Maintain, Repair, Alter and otherwise Operate one (1) or more Signs of any size, content, composition, material, color, design, illumination, character and appearance; and (a-4) to provide access to any of the following persons authorized by Sponsor or an Unsold Unit Owner: sales and rental personnel; cooperating brokers; prospective Purchasers and prospective renters of Unsold Units; Agents, Employees and Contractors; architects; engineers; and decorators; and

(b) to store and transport materials, supplies and Equipment and to temporarily interrupt elevators, water, plumbing, electric and other Building services in connection with the performance of: (b-1) Sponsor's Rights under the Plan, this Declaration and the By-Laws, including the right to Use and Enjoy the Common Elements and Unsold Units pursuant to Articles 10, 11 and 12 hereof; and (b-1.2) the right to make Unit Changes to Unsold Units pursuant to Article 13 below; (b-2) obligations or Work undertaken by Sponsor in or pursuant to the Plan, a Plan Amendment or a Purchase and Sale Agreement for an Unsold Unit (collectively, "**Plan Obligations**"); and (b-3) obligations of Sponsor to tenants or other occupants of Unsold Units ("**Tenant Obligations**").

Sponsor's Rights and Plan Obligations include the right and obligation to construct, equip, outfit and otherwise complete the rehabilitation and renovation of the Building, including the Common Elements and the Residential and Storage Units, to the extent necessary for the issuance of a permanent amended or new Certificate of Occupancy authorizing the use of the Units for the purposes set forth in the Plan and herein, and to perform other construction obligations under the Plan or a Purchase and Sale Agreement, whether before or after the First Closing of a Residential Unit, including the following easements and rights in favor of Sponsor and Sponsor's Agents, Employees and Contractors with respect to the Common Elements: (a) an easement and right of access to, and use of, the Common Elements (including preferential and priority use of the elevators); (b) an easement and right to transport on, across and through the Common Elements, and to temporarily store on portions of the Common Elements considered appropriate by Sponsor or Sponsor's Agents, Employees and Contractors, construction equipment, materials, supplies and debris; and (c) a right to temporarily interrupt Building services (including water, heating, electric, gas, ventilation, plumbing and other Building Systems). Sponsor will endeavor to minimize inconveniencing residents of the Building. Sponsor's construction workers shall have the right to perform Work on weekdays (Monday through Friday) from 7:00 a.m. to 5:00 p.m., and on Saturdays from 8:00 a.m. to 5:00 p.m., except that especially noisy Work will not begin before 8:00 a.m. and except further that Work may be performed at any time and on any day in the case of an emergency or to correct a condition which threatens the life, health or safety of Building occupants or to protect property or to provide a required Building service.

The easements and rights of Sponsor and each Unsold Unit Owner in this Section 12.7 may be exercised and performed Freely and Without Consent, Payment or Restriction (other than those set forth in Section 11.7 above) and are superior, paramount and take preference over the easements and rights of the Condominium Board and other Residential and Storage Unit Owners to use the Residential Limited Common Elements.

Section 12.8 Move-In and -Out Easements. Sponsor hereby grants to each Purchaser of a Residential Unit and such Purchaser's tenant (if any) on the initial move into the Residential Unit and reserves for itself for the benefit of each tenant and occupant of an Unsold Residential Unit from time to time, and further grants to the movers (and their employees and workers) of each of the foregoing, an easement and right to use the Residential Limited Common Elements (including specifically, but not limited to, the elevators and other public and common areas designated by Sponsor) for purposes of moving furniture, furnishings, belongings and other property into such Purchaser's Residential Unit and also into and out of each such tenant's or occupant's Unsold Residential Unit. The Condominium Board shall not impose or collect any fee, charge, deposit, security or other imposition in connection with the move or such use of the Residential Limited Common Elements, other than a refundable security deposit for potential damage to the Common Elements on a move into the Building by a Purchaser or tenant of a Sold Residential Unit. The security deposit shall be in an amount determined by the Condominium Board, but shall not exceed $5,000 without obtaining the prior written Discretionary Approval or Consent of Sponsor during only the Sponsor Veto Control Period. No security deposit or other fee or charge, however, may be imposed on a Purchaser of a Residential Unit under the Plan or a tenant of an Unsold Unit without obtaining the prior written Discretionary Approval or Consent of Sponsor in each instance. In addition, Purchasers, tenants and occupants moving into and out of Units shall be given preference over other Residential Unit Owners, and allowed reasonably prompt access to, and use of, the elevators and other public and common areas of the Residential Limited Common Elements. The Residential Board Members may, upon and subject to obtaining the prior written Discretionary Approval or Consent of Sponsor during only the Sponsor Veto Control Period, adopt reasonable rules and regulations concerning moving into and out of the Building to assure reasonable access to, and use of, the elevators and other portions of the Residential Limited Common Elements by other Owners, tenants and occupants of Residential Units.

Section 12.9 Egress Easements Affecting the Common Elements and Commercial Unit 2. If the New York City fire department, building department or other Governmental Authority having jurisdiction requires a secondary means of egress be provided for Commercial Unit 2 for its cellar level, then the Owner of Commercial Unit 2 shall have a right and easement, at its sole Cost and Expense, to remove a portion of the Party Wall separating such Unit and the public corridor adjacent thereto, and install therein a door meeting all fire and building code requirements, and otherwise comply with all applicable Laws.

If such Governmental Authority requires a secondary means of egress be provided from the sub-cellar, then the Condominium Board shall have a right and easement to erect, install and enclose a public stair for such purpose on specified easement areas of Commercial Unit 2 on the cellar and floor 1 (see EXHIBIT G hereto and floor plan of Commercial Unit 2 in Document 5 of Part II of the Plan for delineated areas). The Condominium Board may exercise such right and easement without the approval or consent of the Owner of Commercial Unit 2, without paying such Unit Owner any consideration for using such portions of Commercial Unit 2, without changing the Common Interest of Commercial Unit 2, and without abating the Common Charges of Commercial Unit 2. The Costs and Expenses paid or incurred by the Condominium Board in connection with the erection, installation and equipping of such public stair shall be included in the General Common Expenses and charged to all Unit Owners Pro Rata to their respective Common Interests

ARTICLE 13

CHANGES IN UNITS AND COMMON ELEMENTS

Section 13.1 **Changes.** Sponsor hereby reserves for itself (while it owns an Unsold Unit) and grants to each Unsold Unit Owner, each Commercial Unit Owner and an Authorized First Sold Residential Unit Owner, the right from time to time, Freely and Without Consent, Payment or Restriction, other than those set forth in Section 13.2 and Article 15 below, to make the following changes to each Unit owned by said Owner (collectively, "**Unit Change**"):

(a) the right to subdivide its Unit into two (2) or more Units ("**Unit Subdivision**") and to establish new boundary walls separating the Units established on such Unit Subdivision;

(b) the right to combine (horizontally and/or vertically) all or portions of two (2) or more of its Units ("**Unit Combination**") and to incorporate and remove walls, floors, ceilings or other portions of the Common Elements (where entire Units are combined into one (1) Unit) or to establish new boundary walls, floors and/or ceilings or other portions of the Common Elements (where portions of Units are combined);

(c) the right to raze, move and relocate the boundary walls, floors and/or ceilings of its Unit to incorporate in its Unit a portion of the Common Elements, including an adjacent hallway or other space between such Owner's Unit and a neighboring Unit and/or walls, floors, ceilings and/or other portions of the Common Elements ("**Unit Expansion**");

(d) the right to alter its Unit ("**Unit Alterations**"), to change the number of rooms and bathrooms, the layout, the configuration, and the Unit's Equipment and Installations; and

(e) the right to change the description of portions of its Unit and the affected Common Elements involved in a Unit Change so that such applicable portions of the Common Elements become part of the Unit or an Individual Limited Common Element appurtenant to the Unit and/or portions of the Unit become Common Elements or an Individual Limited Common Element appurtenant to the Unit, as applicable ("**Description Change**").

Upon the original boundary walls, floors, ceilings and/or other space forming a part of the Common Elements being razed or otherwise incorporated in a Unit involved in a Unit Change, they automatically shall no longer be part of the Common Elements and shall become part of the applicable Unit. Similarly, upon new boundary walls, floors and/or ceilings of a Unit being constructed, they automatically shall be substituted in place of the former boundaries to become part of the Common Elements.

An Unauthorized Sold Unit Owner shall have the right to subdivide such Owner's Unit into two (2) or more Units (i.e., a Unit Subdivision) and to combine two (2) or more Units owned by such Owner into one (1) Unit (i.e., a Unit Combination) on and subject to compliance with the terms and conditions set forth in Section 13.2 below.

Section 13.2 **Rights, Restrictions and Requirements.** The following shall apply to Unit Changes or certain Unit Changes (as indicated) made pursuant to Section 13.1 above:

(a) each Unit Change may be made by Sponsor, an Unsold Unit Owner and a Commercial Unit Owner Freely and Without Consent, Payment and Restriction, that is: (a-1) without obtaining the approval or consent of the Condominium Board, the Unit Owners or Unit mortgage lenders (other than a lender holding a mortgage on the affected Unit, if and to the extent required by the forms of such mortgage); (a-2) without complying with any

regulations, rules or other requirements of the Condominium Board for Alterations or changes to Units; (a-3) without paying any kind of fee or other charge of the Condominium Board or its Managing Agent or attorneys or other professional or consultant; and (a-4) without the plans or specifications of the proposed Unit Change being submitted to, or reviewed by, the Condominium Board or an architect, engineer or other professional or consultant chosen by the Condominium Board;

(b) the Owner subdividing a Unit, at such Owner's sole Cost and Expense, shall duly record an Amendment to the Declaration and the Floor Plans to subdivide the Unit and to apportion between or among the Units resulting from such Unit Subdivision, the Common Interest of the Unit so subdivided in accordance with the method set forth in Article 8 above or any other method allowed by the Condominium Act (subject to the Reasonable Approval of the Condominium Board in the case only of an Authorized First Sold Unit Owner or an Unauthorized Sold Unit Owner, but not subject to the approval or consent of the Board or other Unit Owners in the case of an Unsold Unit or a Commercial Unit); provided, however, that the aggregate Common Interests of all Units resulting from such Unit Subdivision shall equal exactly the Common Interest of the Unit being so subdivided;

(c) the Owner combining all or portions of two (2) or more Units, at such Owner's sole Cost and Expense, shall duly record and file an Amendment to the Declaration and the Floor Plans to combine such Units or portions thereof and:

(c-1) (in the case of a Unit Combination involving entire Units) to declare and establish the Common Interest of the resulting combined Unit to equal exactly the total of the Common Interests of the original Units being so combined; or

(c-2) (in the case of a Unit Combination not involving entire Units) to apportion between or among the Units involved in the Unit Combination, the Common Interests of such Units in accordance with the method set forth in Article 8 above or any other method allowed by the Condominium Act (subject to the Reasonable Approval of the Residential Board Members in the case only of an Authorized First Sold Owner or an Unauthorized Sold Owner, but not subject to the approval or consent of the Board or other Unit Owners in the case of an Unsold Unit or a Commercial Unit); provided, however, that the total Common Interests of all resulting Units following a Unit Combination shall equal exactly the total of the Common Interests of such original Units;

(d) in the case of a Unit Expansion: (d-1) the Declaration and the Floor Plans need not be amended to effectuate such Unit Expansion unless otherwise expressly required by the Condominium Act; and (d-2) the Common Interest of such Unit shall not change as a result of such Unit Expansion;

(e) any public or common areas of the Common Elements incorporated in a Unit (other than boundary walls, floors and ceilings) shall remain part of the Common Elements, but its use shall be completely limited or restricted to only that Unit; alternatively, such incorporated portions of the Common Elements shall become part of such Unit at the option of: (e-1) Sponsor or the applicable Unsold Unit Owner or Commercial Unit Owner (as the case may be), without obtaining the approval or consent of the Condominium Board or other Unit Owners; or (e-2) an Authorized First Sold Unit Owner or an

Unauthorized Sold Unit Owner, subject to obtaining the Reasonable Approval of the Residential Board Members;

(f) (if and to the extent required by the Condominium Act) the Unit Owner (hereinafter, "**such Owner**") making a Description Change, at the sole Cost and Expense of such Owner, shall declare, establish, grant and convey in a duly recorded Amendment to this Declaration and a duly filed Amendment to the Floor Plans that: (f-1) the applicable portion of such Owner's Unit shall instead comprise the Residential Limited Common Elements or General Common Elements (as applicable) or (at the option of such Owner) to comprise an Individual Limited Common Element appurtenant to such Owner's Unit; and/or (f-2) the applicable portion of the Common Elements shall instead comprise such Owner's Unit or (at the option of such Owner) an Individual Limited Common Element appurtenant thereto (as applicable); provided, however, that such Description Change from a Unit to Common Elements (or an Individual Limited Common Element), or vice versa, shall not change the Common Interest of any other Unit not owned by such Owner nor change the Common Interest of such Owner's Unit;

(g) the Common Interest of a Unit not involved in a Unit Change shall remain the same, unless the prior written Discretionary Consent to a new Common Interest is obtained from the Owner of such Unit as required by Section 339-i of the Condominium Act; and the Common Interests of all Units following a Unit Change shall total 100%;

(h) all Costs and Expenses thereafter arising with respect to the Maintenance, Repair, Alteration and other Operation of an Individual Limited Common Element established in connection with a Description Change shall be borne exclusively by the Owner of the Unit to which same is appurtenant (other than structural Repairs which are expressly stated in this Declaration or the By-Laws to be performed by the Condominium Board as a Residential Common Expense or a General Common Expense, as appropriate);

(i) such Owner making a Unit Change shall indemnify the Condominium Board and its members, officers, agents (including Managing Agent), employees and attorneys, the Sponsor and all other Unit Owners from and against any and all Claims and Costs and Expenses arising out of, or in connection with, the Unit Change or the Work in performing such Unit Change;

(j) the required Amendment to the Declaration to effectuate a Unit Change as herein provided: (j-1) shall be prepared, signed and acknowledged in recordable form by, and at the sole Cost and Expense of, only the Unit Owner making such Unit Change and, if requested, shall be certified by the Secretary or an Assistant Secretary of the Condominium in accordance with Article 22 below, and such Amendment to the Floor Plans shall be prepared, certified, signed and sealed by a registered architect or a licensed professional engineer selected exclusively by said Unit Owner making such Unit Change; and (j-2) (in the case only of an Unsold Unit or a Commercial Unit) may be recorded and filed without the approval, consent or signatures of the Condominium Board or any officer of the Condominium Board or any other Unit Owner, or (in the case of only a Sold Residential Unit) shall be subject to the Reasonable Approval of the Residential Board Members and (if approved) shall be duly executed in recordable form by the appropriate officers and/or members of the Condominium Board;

(k) (except in the case of a Unit Change to a Sold Residential or Storage Unit, which is subject to the approval or Reasonable Approval of the Residential Board Members) the

approval, consent and signatures of the Board or any other Unit Owner shall not be required on any Government Document necessary or convenient to perform a Unit Change to an Unsold Unit or a Commercial Unit in accordance with this Article 13, including any application or other Government Document required by the Department of Buildings, the Real Property Assessment Bureau of The City of New York or any other Governmental Authority in connection with a Building Alteration application and/or an amendment to the Certificate of Occupancy for the Building or the establishment of separate tax lots for any newly created Units and a reapportionment of the assessed valuation by reason thereof; all such Government Documents shall be prepared, signed and (where required) acknowledged by, and at the sole Cost and Expense of, only the Unsold Unit Owner or Commercial Unit Owner making such Unit Change, such Unit Owner being hereby granted an irrevocable, durable power of attorney, "coupled with an interest" and for valuable consideration, with full power of substitution, to execute such Government Documents as attorney-in-fact in the name and on behalf of the Board and other Unit Owners (in accordance with Article 20 below, the Board shall fully cooperate with the Owner making the Unit Change and in furtherance thereof, upon request of such Unit Owner, shall nevertheless execute and deliver to such Unit Owner any and all Government Documents on the terms and conditions provided in said Article 20);

(l) no license or use fee or rental or other charge (other than the regular Common Charges and Special Assessments, if any, levied on all Unit Owners or all Residential and Storage Unit Owners, as applicable) may be levied or imposed by the Condominium Board in connection with any wall, space, concrete floor or ceiling slab (or other construction material) or other portion of the Common Elements incorporated in a Unit in connection with such Unit Change;

(m) the dimensions, usable floor area and interior space (that is, the space within the enclosing walls, floors and ceilings) of any other Unit shall not be changed or penetrated by reason of a Unit Change without obtaining the prior written Discretionary Consent of the Owner of such affected Unit;

(n) a Unit Change shall not jeopardize the soundness or structural integrity of any portion of the Building or threaten the life, health or safety of any Owner or Permitted Tenants/Occupants/Invitees of another Unit;

(o) a Unit Change shall not prevent or unlawfully impair legal access by another Unit to the public stairs, the elevators or the 130 West 30th Street Public Areas;

(p) a Unit Change shall not permanently diminish or adversely and unreasonably affect: (p-1) the proper and efficient performance, function, capacity or utility of the Building's Equipment and Installations serving another Unit; or (p-2) the use of the Common Elements serving another Unit for their intended purposes;

(q) a Unit Change shall be performed and completed in accordance and compliance with the applicable Work Requirements set forth in Section 15.2 below, including clause (k) thereof and compliance with all applicable Laws (such as, if and to the extent required by Law: (q-1) obtaining all required approvals, permits and licenses of Governmental Authorities having jurisdiction; and (q-2) in the case of a Unit Subdivision or Unit Combination, obtaining an Alteration permit or notice or an amended or new Certificate of Occupancy for the Building or other appropriate Government Document to reflect the Unit(s) resulting from a Unit Subdivision or Unit Combination, as applicable); and

(r) an Authorized First Sold Unit Owner and an Unauthorized Sold Unit Owner (hereinafter collectively, "**such Owner**"), but not Sponsor or an Unsold Unit Owner or a Commercial Unit Owner, at the sole Cost and Expense of such Owner, shall comply with the following "**Unit Change Requirements**" before commencing construction Work (all references herein to the Condominium Board shall mean the Residential Board Members):

(r-1) such Owner shall cause to be prepared and submitted to the Condominium Board and (until issuance of the permanent Certificate of Occupancy of the Building authorizing the use of the Units for the purposes set forth in the Plan and herein) Sponsor detailed plans and specifications of the proposed Unit Change, prepared by a registered architect, licensed professional engineer or other appropriate professional chosen by such Owner;

(r-2) (in the case of a Unit Change affecting any of the Building's HVAC/Mechanical/Utility Systems) such Owner must first obtain the following approvals or consents: (r-2.1) until said permanent Certificate of Occupancy issues: the prior written Discretionary Approval or Consent of Sponsor must first be obtained as provided in Section 15.2(k) below and the prior written Reasonable Approval or Consent of the Condominium Board must first also be obtained; and (r-2.2) after said permanent Certificate of Occupancy issues: the prior written Reasonable Approvals or Consents of both Sponsor (during only the Sponsor Veto Control Period) and the Condominium Board must first be obtained;

(r-3) (in the case of a Unit Change affecting the Building's Structural Components) such Owner must obtain the prior written Discretionary Approvals or Consents of both Sponsor (during only the Sponsor Veto Control Period and until said permanent Certificate of Occupancy issues) and the Condominium Board;

(r-4) (in the case of a Unit Change affecting the Unit's entrance, windows, Terrace or Planting Terrace, or other portions of the Unit or (if established) its appurtenant Individual Limited Common Element exposed to public view) such Owner must obtain the prior written Discretionary Approvals or Consents of both Sponsor (during only the Sponsor Veto Control Period) and the Condominium Board; and

(r-5) such Owner shall sign and deliver to the Condominium Board an Alteration agreement, on the standard form adopted by, and in substance satisfactory to, the Condominium Board, setting forth the terms and conditions for performing the Unit Change (including the Condominium Board's Work rules, insurance requirements, security deposit and an indemnity in favor of the Condominium Board, its agents and employees, and all Unit Owners, from and against all Claims and Liabilities and Expenses arising out of the Unit Change), and shall pay or reimburse the Board for the reasonable Costs and Expenses incurred by it in connection with the preparation, review and execution thereof, including the fees and charges of any architect, engineer, consultant or other expert engaged by the Board to review the proposed plans and specifications of the Alteration and the fees and charges of the Managing Agent and any attorney retained by the Board in connection with such Alteration agreement (the proposed fee of the Managing Agent for such service set forth in the Plan shall be deemed to be

reasonable); all such Costs and Expenses shall be added to and constitute Common Charges payable by such Owner.

ARTICLE 14

MAINTENANCE, REPAIRS, ALTERATIONS AND OTHER WORK TO UNITS, COMMON ELEMENTS, ASSOCIATION'S PROPERTIES, SIDEWALKS AND VAULTS

Section 14.1 **Duty to Maintain and Repair the Units and Individual Limited Common Elements.** Each Unit Owner, at such Owner's sole Cost and Expense, shall Maintain and Repair (other than structural or extraordinary Repairs expressly stated elsewhere herein or in the By-Laws to be performed by the Condominium Board) such Owner's Unit and its Equipment, Installations and Terrace or Planting Terrace (if any), and (if established) the Unit's appurtenant Individual Limited Common Element, in accordance and compliance with the Building's Maintenance Standard. In the case of a Residential or Storage Unit, the foregoing Maintenance and Repair obligations apply to the following (where applicable to the Unit): (a) the interior Unit side of all walls and ceilings; (b) both sides of all Unit windows; (c) all tile, wood, carpet or other flooring on top of the Base Floors enclosing the Unit; (d) all kitchen and other appliances in or exclusively serving the Unit; (e) all individual Unit plumbing, heating and electrical fixtures (whether exposed to view or concealed behind walls or partitions), including kitchen and bathroom fixtures and the Unit's individual heating and cooling Equipment and related Installations (but not any portions thereof that serve another Unit or the Common Elements); and (f) all Unit entrance and interior doors (including the door to a Terrace, if any). However, all such windows, the exterior side of Unit entrance doors (and related hardware and saddles), any Terrace or Planting Terrace and any other portion of the Unit exposed to public view shall not be painted, Decorated, Repaired or Altered without obtaining the prior written Discretionary Consents or Approvals of both the Condominium Board and (during only the Sponsor Veto Control Period) Sponsor. In the case of Commercial Units 1 and 2, said Maintenance and Repair Obligations apply to the rear yard appurtenant to each such Unit and (in the case only of Commercial Unit 1) Commercial Vault #1 appurtenant to Commercial Unit 1. All of the foregoing Maintenance and Repairs shall be performed or caused to be performed by each Unit Owner in conformity with the high dignity, first-class quality, character and standards of the Building, and in a manner that: (a) shall not materially impair or prevent, nor unreasonably interrupt or interfere with, the permitted Use and Enjoyment of other Units or other portions of the Common Elements; and (b) shall maintain the value of all Units. Each Unit Owner shall also comply with the Owner's Maintenance and Repair obligations with respect to such Owner's Unit and its appurtenant areas, Equipment and Installations set forth in Section 5.1 of the By-Laws.

Section 14.2 **Duty to Maintain and Repair the Common Elements and Association's Properties.** The Condominium Board (with respect to the General Common Elements, including General Vault #2, and the Association's General Properties), the Residential Board Members (with respect to the Residential Limited Common Elements and the Association's Residential Properties) and the Commercial Board Member (with respect to the Commercial Limited Common Elements, if established) shall Maintain and Repair the General Common Elements, the Residential Limited Common Elements, the Association's Properties and (if established) the Commercial Limited Common Elements in accordance and compliance with the Building's Maintenance Standard, including: (a) the Equipment and other Installations forming a part of each thereof and such of said Common Elements that are within, bordering and adjacent to a Unit; and (b) water leaks and air penetration between the Building Walls and Unit window frames (but excluding windows and their frames). All of the foregoing Maintenance

and Repairs shall be performed by the Board or applicable Board Members in conformity with the high dignity, first-class quality, character and standards of the Building, and in a manner that: (a) shall not materially impair or prevent, nor unreasonably interrupt or interfere with, the permitted Use and Enjoyment of a Unit and (if established) its appurtenant Individual Limited Common Element; and (b) shall maintain the value of all Units and the Building services and Facilities to be provided to the Units pursuant to this Declaration and the By-Laws. The Costs and Expenses of such Maintenance and Repairs shall be a General Common Expense (in the case of the General Common Elements and the Association's General Properties) or Residential Common Expense (in the case of the Residential Limited Common Elements and the Association's Residential Properties) or paid by the applicable Commercial Unit Owners (in the case of the Commercial Limited Common Elements, if established) and shall be allocated and apportioned in accordance and compliance with the Special Allocation and Apportionment Rule set forth in Article 9 above. In accordance and compliance therewith, each Commercial Unit Owner shall be allocated its allocable share of only that portion of the Costs and Expenses to Maintain and Repair those General Common Elements or Association's General Properties that actually serve or are actually utilized by its Commercial Unit and shall not be allocated or assessed any of such Costs and Expenses to Maintain and Repair the Residential Limited Common Elements or the Association's Residential Properties, all as provided more fully in Article 9 above. The Condominium Board or applicable Board Members shall also comply with the Maintenance and Repair obligations applicable to the Common Elements set forth in Section 5.1 of the By-Laws.

Section 14.3 Maintenance, Repairs, Alterations and Work to Units and Individual Limited Common Elements. The right and duty of each Owner, at such Owner's sole Cost and Expense, to Maintain, Repair, Alter and perform other Work in such Owner's Unit (including the Equipment and other Installations forming a part thereof and the Unit's appurtenant Terrace or Planting Terrace, if any) and (if established) its appurtenant Individual Limited Common Element are governed by Sections 5.1 and 5.2 of the By-Laws and the applicable Work Requirements set forth in Section 15.2 below.

Section 14.4 Maintenance, Repairs, Alterations and Work as to General Common Elements, Residential Limited Common Elements and Association's Properties. The Condominium Board shall have the substantially exclusive right and duty to perform all Maintenance, Repairs, Alterations and other Work with respect to the General Common Elements, the Residential Limited Common Elements and the Association's Properties, including the Equipment and Installations forming a part of each thereof and each of such Common Elements that are within, bordering and adjacent to a Unit, subject and subordinate to and in compliance with the applicable Work Requirements set forth in Section 15.2 below and:

(a) Sponsor's/Commercial Owners' Rights under this Declaration, the By-Laws and the Plan; and

(b) all rights and easements expressly reserved to Sponsor and granted to Unsold Unit Owners, the Commercial Unit Owners and all other Unit Owners in this Declaration, the By-Laws and the Plan.

The Costs and Expenses of such Maintenance, Repairs, Alterations and Work shall be allocated and apportioned in accordance and compliance with the Special Allocation and Apportionment Rule as set forth in Article 9 above.

Section 14.5 Requisite Approvals for Board Repairs and Alterations

Section 14.5.1 Repairs. The Condominium Board shall have the right and duty to make all necessary or appropriate Repairs to the Common Elements and the Association's Properties upon the determination of the following Board Members:

(a) Repairs to only the General Common Elements or the Association's General Properties shall be determined by a majority of those Residential and Commercial Board Members attending a duly constituted Board meeting at which a quorum is present, and without the approval or consent of any Unit Owners; or

(b) Repairs to only the Residential Limited Common Elements or the Association's Residential Properties shall be determined by a majority of only those Residential Board Members attending a duly constituted meeting of the Residential Board Members at which a quorum is present, and without the approval or consent of the Commercial Board Members or any Unit Owners.

Section 14.5.2 Alterations. The Condominium Board shall have the right to Alter the Common Elements and the Association's Properties ("**Board Alterations**") upon the determination of the following Board Members:

(a) Board Alterations of only the General Common Elements or the Association's General Properties shall be determined by a majority of those Residential and Commercial Board Members attending a duly constituted Board meeting at which a quorum is present; or

(b) Board Alterations of only the Residential Limited Common Elements or the Association's Residential Properties shall be determined by a majority of only those Residential Board Members attending a duly constituted meeting of the Residential Board Member at which a quorum is present.

However, the Condominium Board shall obtain the following approvals before undertaking the Board Alterations indicated below:

(a) all Board Alterations that are subject to Sponsor veto control shall not be undertaken during the Sponsor Veto Control Period without obtaining the prior written Discretionary Approval or Consent of Sponsor therefor as and to the extent provided in the Plan, Section 9.11 above and Section 2.5.8 of the By-Laws; and

(b) all Board Alterations that will affect the use, occupancy or Operation of a Commercial Unit or the business of a tenant or the Owner of a Commercial Unit, or any Building service provided to a Commercial Unit shall not be undertaken without obtaining the prior written Discretionary Approval or Consent of the Owner of such Commercial Unit.

Section 14.6 Base Floors and Ceilings, Roofs and Building Walls. The right of Sponsor, each Unsold Unit Owner and each Commercial Unit Owner (including their respective authorized tenants, and the authorized Agents, Employees and Contractors of each of the foregoing) to perform Maintenance, Repairs, Alterations and other Work with respect to each such Party's Unsold Unit or Commercial Unit (as applicable) pursuant to this Declaration or the By-Laws includes the right, Freely and Without Consent, Payment or Restriction (other than the requirement to comply with the applicable Work Requirements set forth in Section 15.2 below), to pierce, remove and make openings in portions of the Base Floors, Base Ceilings, the

Building's Roofs and the Building Walls enclosing each such Party's Unsold Unit or Commercial Unit (as applicable) and (if established) its appurtenant Individual Limited Common Element in the exercise of such right or in the exercise of easements or other rights expressly reserved to Sponsor and granted to each Unsold Unit Owner and each Commercial Unit Owner in the Plan or this Declaration or the By-Laws.

Section 14.7 **Negligence, Misuse, Abuse or Neglect.** Any Maintenance or Repairs (whether structural or non-structural, ordinary or extraordinary) to a Unit or the Common Elements necessitated by the negligence, misuse, abuse or neglect of:

(a) a Unit Owner, or a tenant, licensee or occupant of a Unit, or the Agents, Employees and Contractors of such Unit Owner, licensee or tenant, shall be performed by the Party responsible to Maintain same and the entire Costs and Expenses thereof shall be charged to, and borne entirely by, such Unit Owner; or

(b) the Condominium Board, or its Agents, Employees and Contractors, shall be performed by the Party responsible to Maintain same and the entire Costs and Expenses thereof shall be charged to, and borne entirely by:

(b-1) all or certain Unit Owners (as appropriate) as a General Common Expense, if involving or fairly and properly allocable only to the General Common Elements or the Association's General Properties (however, each Commercial Unit Owner shall be charged for its allocable share of such General Common Expense item if, and strictly to the extent only, that such affected portions of the General Common Elements or the Association's General Properties actually serve or are actually utilized by such Commercial Unit Owner as provided more fully in Article 9 above); or

(b-2) only all Residential and Storage Unit Owners as a Residential Common Expense if involving or fairly and properly allocable to only the Residential Space or the Association's Residential Properties.

Section 14.8 **Cooperation.** Each Unit Owner shall fully cooperate with every other Unit Owner or the Condominium Board (as applicable) in connection with the Maintenance, Repairs and Alterations permitted or required to be performed by such other Unit Owner or the Board, and the Condominium Board shall fully cooperate with each Unit Owner in connection with the Maintenance, Repairs and Alterations permitted or required to be performed by such Unit Owner, all as more particularly set forth in Article 20 below.

Section 14.9 **Sidewalks.** All Sidewalk Cleaning Obligations and all Sidewalk Repair Obligations with respect to the Immediately Adjacent Sidewalks to the Property shall be performed by the Condominium Board as a General Common Expense, which shall be allocated to all Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests. The Sidewalk Cleaning Obligations and Sidewalk Repair Obligations shall be performed in accordance and compliance with the Building's Maintenance Standard and in a manner that shall not unnecessarily prevent or unreasonably interrupt or interfere with the permitted uses of the Immediately Adjacent Sidewalks to a Commercial Unit by its Owner and such Owner's Permitted Tenants/Occupants/Invitees or to the Residential Space by the Residential and Storage Unit Owners and their Permitted Tenants/Occupants/Invitees. However, all Signs, objects, structures, extensions or enclosures erected or installed on, in or under the Immediately Adjacent Sidewalks to the Property pursuant

to Sections 10.9 , 10.10 and 10.11 above shall be Maintained and Repaired by, and at the sole Cost and Expense of, the Party erecting or installing same. In addition, all Repairs to the Immediately Adjacent Sidewalks necessitated by such erections or installations, or the Maintenance, Repair or Alteration thereof, shall be performed by, and at the sole Cost and Expense of, such Party erecting or installing same.

Section 14.10 Vaults. The General Vault #2 and the Equipment and Installations forming a part of the General Common Elements now existing or hereafter installed or housed therein shall be Maintained and Repaired by the Condominium Board and the Costs and Expenses thereof shall be part of the General Common Expenses, which shall be allocated to and apportioned among all Unit Owners or to only all Residential and Storage Unit Owners (as applicable) in accordance and compliance with the Special Allocation and Apportionment Rule set forth in Article 9 above. Any Residential Equipment housed in said General Vault #2 shall be Maintained and Repaired by the Condominium Board and the Costs and Expense thereof shall be included in the Residential Common Expenses, and specially allocated, apportioned and assessed to only all Residential and Storage Unit Owners in accordance and compliance with said Special Allocation and Apportionment Rule. Commercial Vault #1 and the Equipment and Installations therein comprising part of Commercial Unit 1 shall be Maintained and Required by, and at the sole Cost and Expense of, the Owner of Commercial Unit 1.

If The City of New York revokes the license or right to use a Vault, the Condominium Board (with respect to Vault #2), as a General Common Expense, or the Owner of Commercial Unit 1 (with respect to Vault #1), at its sole Cost and Expense, shall close or seal such Vault and relocate the Equipment and Installations located therein, except any Equipment or Installations comprising the Residential Limited Common Elements shall be relocated from Vault #2 as a Residential Common Expense.

ARTICLE 15

WORK REQUIREMENTS

Section 15.1 Application. All permitted or required Maintenance, Repairs, Alterations and other Work by, or on behalf or at the direction of, Sponsor, a Unit Owner, the Condominium Board, a tenant or occupant of a Unit, or a utility provider (each, a "**Responsible Party**") shall be done and performed in accordance and compliance with all applicable Laws and the applicable Work Requirements set forth in Section 15.2 below, as well as all other requirements (if any) applicable thereto set forth elsewhere in this Declaration or the By-Laws.

Section 15.2 Work Requirements. The "**Work Requirements**" to be met and complied with pursuant to Section 15.1 above and where required elsewhere in the Declaration and the By-Laws are as follows:

(a) the Work undertaken by an Owner, tenant or occupant of a Unit, or the Condominium Board or a utility provider shall be prosecuted with reasonable diligence and continuity to completion and performed in a manner that does not permanently prevent or unreasonably interrupt or interfere with, or otherwise unreasonably and adversely affect, the permitted Use and Enjoyment of a Unit (other than the Unit of the Owner, tenant or occupant undertaking the Work) or the Common Elements (including the Equipment and Installations forming a part of such Unit or Common Elements), and shall be performed

in a manner which minimizes such interruption or interference to the extent reasonable and practical;

(b) if the Work permitted in a Unit requires access to another Owner's Unit or (if established) its appurtenant Individual Limited Common Element, or to any of the Common Elements, or if the Work permitted in any of the Common Elements requires access to a Unit, such access by contractors, subcontractors, workers, architects, employees and others engaged in the Work and the right to transport therein materials and supplies in connection therewith, shall be permitted subject and subordinate to the rights of the then existing tenants and/or occupants of Unsold Units and the Commercial Units and subject further to same being exercised reasonably and in a manner that does not permanently prevent and minimizes to the extent reasonable and economically practical any interruption or interference with the Use and Enjoyment of the affected Unit or Common Elements;

(c) the Work shall be performed and completed in accordance and compliance with the requirements of Section 10.1 above and the prohibitions of Section 10.2 above;

(d) at least five (5) business days before an Owner, tenant or occupant of a Sold Unit or the Condominium Board or a utility provider begins Work on, or affecting, the Building's Structural Components, such Responsible Party performing the Work shall obtain and (if the Responsible Party is not the Condominium Board) deliver to the Board, and shall make available to all Unit Owners, a certification to the Board and Unit Owners from a duly licensed engineer specializing in structural engineering that the structural integrity of the Building's Structural Components and the life, safety and health of occupants of the Building shall not be impaired or threatened or adversely affected by such Work;

(e) the Work involving or affecting the Residential Limited Common Elements, General Common Elements or the Association's Properties (including the Equipment and Installations forming part of each thereof and the Building's Structural Components):

(e-1) shall be performed in a good and workmanlike manner by duly licensed and qualified contractors and subcontractors and (in the case of Work undertaken by an Owner, tenant or occupant of a Sold Unit or a utility provider involving or affecting the Building's Structural Components) a duly licensed and qualified engineer specializing in structural engineering who is Reasonably Approved by the Condominium Board; and

(e-2) shall utilize materials compatible with, and of at least substantially equal or better quality, design, function and utility than, those then existing in the Building;

(f) with respect to any Work by the Condominium Board or a utility provider permitted to be performed in a Unit or (if established) its appurtenant Individual Limited Common Element or the public areas of the Common Elements, subject to clause (k) hereinbelow:

(f-1) any pipes, ducts, wiring, conduits or other Equipment or Installations in connection with such Work shall be concealed in, behind or under the walls, floors or ceilings or, if not economically practical or feasible, appropriately boxed in without materially reducing the usable areas thereof; and

(f-2) (in the case of Work by the Condominium Board requiring access to a Unit) upon the request of the Owner of the affected Unit, or (in the case of Work affecting the Common Elements) upon the request of Sponsor (during only the Sponsor Veto Control Period and until the issuance of the permanent "C of O" as defined in clause (k) hereinbelow), the Condominium Board shall prepare or obtain (as a Common Expense allocated, apportioned and assessed to all or certain Unit Owners (as applicable) in accordance and compliance with the Special Allocation and Apportionment Rule set forth in Article 9 above) and submit to such affected Unit Owner or Sponsor (as applicable), and such Party shall receive, at least five (5) business days before entering such Owner's affected Unit, or Sponsor shall receive at least twenty (20) business days before the Work begins in the Common Elements:

(f-2.1) copies of all detailed plans and specifications of the Work;

(f-2.2) (as to Sponsor only) copies of all required permits, licenses, certificates, approvals and consents of Governmental Authorities having jurisdiction of the Work; and

(f-2.3) a policy or original certificate of insurance for such insurance coverage and amounts, and issued by such insurer, as (in the case of Work in a Unit) shall be Reasonably Approved by the Condominium Board (but naming the affected Unit Owner as an additional insured party) or (in the case of Work in the Common Elements) shall be Reasonably Approved by both Sponsor (during only the Sponsor Veto Control Period and until the issuance of said permanent C of O) and the Condominium Board (any dispute as to such insurance shall be resolved by arbitration pursuant to the By-Laws), and providing that at least thirty (30) calendar days' advance written notice shall be given to the affected Unit Owner or Sponsor (as applicable) by the insurer before such insurance coverage is terminated, cancelled or expires;

(g) the Responsible Party undertaking or performing the Work, or the Responsible Party who permits or suffers a tenant or occupant of a Unit owned by it to undertake or perform any Work, at such Responsible Party's sole Cost and Expense:

(g-1) (in the case only of Work by the Condominium Board) shall maintain the insurance in the preceding clause (f) in full force and effect for the duration of the Work in the affected Owner's Unit;

(g-2) shall indemnify the Condominium Board and its members, officers, employees, agents (including the Managing Agent) and attorneys, and each and every other Unit Owner, from and against any and all Claims and Liabilities and Expenses arising from the Work or the failure to comply with any Work Requirement or other provision of this Declaration, the By-Laws or the Rules and Regulations;

(g-3) shall file as and when required all necessary notices, applications, certifications, plans and specifications with Governmental Authorities having jurisdiction and (if the Responsible Party is a Sold Unit Owner, but not if the Responsible Party is Sponsor, an Unsold Unit Owner or a Commercial Unit Owner) shall pay or reimburse the Board for all Costs and Expenses of the Board to prepare, review,

execute and/or submit any Government Document required in connection with the Work to be so submitted pursuant to Article 20 below;

(g-4) shall obtain and promptly following completion of the Work involving a Unit Change shall deliver to the Condominium Board, and the Board shall make available to all Unit Owners and their representatives from time to time: (g-4.1) (in the case of Work by a Sold Unit Owner, but not Work by Sponsor, an Unsold Unit Owner or a Commercial Unit Owner) an accurate and complete set of "as built" plans and specifications of the Work; (g-4.2) (if required by Law) an alteration permit or a new or amended Certificate of Occupancy of the Building (which shall not change the authorized use of another Unit without the prior written Discretionary Approval or Consent of the Owner thereof) and all necessary inspections, approvals, sign-offs, licenses, permits, notices and certifications of Governmental Authorities having jurisdiction; and (g-4.3) (if required by the Condominium Board in the case of Work by a Sold Unit Owner, but not Work by Sponsor, an Unsold Unit Owner or a Commercial Unit Owner) the Board of Fire Underwriters certificate with respect thereto;

(g-5) shall assume all responsibility (including payment and performance) for: (g-5.1) the Work and the performance, Maintenance and Repair of the Equipment and Installations involved in the Work; (g-5.2) the failure of the proper and efficient performance, function, capacity and utility of any Equipment and Installations affected by the Work; (g-5.3) the weather-tightness of any Work affecting the Building Walls, windows, doors, Roofs or Vaults; (g-5.4) the waterproofing of any portion of the Building structure directly or indirectly affected by the Work; and (g-5.5) plumbing leaks and damage to another Unit or the Common Elements or Vault caused by the Work;

(g-6) shall promptly and within thirty (30) calendar days satisfy or discharge by bond or otherwise any and all mechanic's lien for Work or materials filed against another Unit or the Common Elements;

(g-7) shall not prevent or unlawfully impair legal access of another Unit to a public stair, the elevators, the residential or service lobby, or the Common Elements leading to a street; and

(g-8) shall not permanently diminish or adversely and unreasonably affect the proper and efficient performance, function, capacity and utility of another Owner's Unit or the Common Elements serving another Unit (including the Equipment and Installations forming a part of each);

(h) with respect to the following Work to be undertaken by a Sold Unit Owner (but not Work by Sponsor, an Unsold Unit Owner, a Commercial Unit Owner or (if such Work is authorized by Sponsor or an Unsold Unit Owner, as applicable) an Authorized First Sold Unit Owner) or a tenant or occupant of a Sold Unit (but not Work by a tenant or occupant of an Unsold Unit or a Commercial Unit), such Responsible Party, at the sole Cost and Expense of such Responsible Party, shall comply with the following requirements before commencing the Work (all references herein to the Board shall mean the Residential Board Members):

(h-1) in the case of any Work requiring the Discretionary or Reasonable Approval or Consent of the Condominium Board or Sponsor: such Responsible Party shall give the Board and/or Sponsor (as applicable) written notice of the details of the proposed Work and (if requested by the Board or Sponsor, as applicable) shall also cause to be prepared and submitted to the Condominium Board or Sponsor (as applicable) detailed plans and specifications of the proposed Work, prepared by an architect, engineer or other appropriate professional chosen by such Responsible Party;

(h-2) in the case of Work requiring submission of plans and specifications thereof: in accordance with Section 15.3 below, such Responsible Party shall pay or reimburse the Board and/or Sponsor (as applicable) for the reasonable Costs and Expenses of any architect, engineer or other consultants or experts retained by the Board and/or Sponsor (as applicable) to review and advise the Board and/or Sponsor (as applicable) with respect to such plans and specifications of said proposed Work;

(h-3) in the case of Work affecting any of the Building's HVAC/Mechanical/Utility Systems: the prior written Reasonable Approvals or Consents of both the Condominium Board and (during only the Sponsor Veto Control Period and until issuance of said permanent C of O of the Building as provided in clause (k) hereinbelow) Sponsor therefor must be obtained;

(h-4) in the case of Work affecting the Building's Structural Components: the prior written Discretionary Approvals or Consents of both the Condominium Board and (during only the Sponsor Veto Control Period and until issuance of said permanent C of O of the Building) Sponsor therefor must be obtained;

(h-5) in the case of Work affecting a Sold Unit's windows, any skylight, Unit entrance doors, Terrace (including the door leading thereto) or Planting Terrace (including any enclosure, partition, flooring, landscaping, furnishing, painting or other Decorations to a Terrace or Planting Terrace), or other portions of a Sold Unit or (if established) its appurtenant Individual Limited Common Element exposed to public view: the prior written Discretionary Approvals or Consents of both the Condominium Board and (during only the Sponsor Veto Control Period and until issuance of said permanent C of O of the Building) Sponsor therefor must be obtained (the foregoing, however, does not apply to Decorating the portions of the interior of a Sold Unit that are not exposed to public view, which may be performed without obtaining any approvals or consents); and

(h-6) in the case of any of the foregoing Work by said Responsible Party for which the requisite Discretionary or Reasonable Approval or Consent (as applicable) is given: upon the request of the Condominium Board, such Responsible Party and (if the Responsible Party is a tenant or occupant of a Sold Unit) the Owner of such Sold Unit shall: (h-6.1) sign and deliver to the Condominium Board an Alteration agreement, on the standard form adopted by, and in substance satisfactory to, the Condominium Board, setting forth the terms and conditions for performing the Work (including the Condominium Board's Work rules (with respect to hours, days, duration and otherwise), insurance requirements, security deposit and an indemnity in favor of the Condominium Board, its agents and employees, and all Unit Owners, from and against all Claims and Liabilities and

Expenses arising out of the Work); and (h-6.2) pay all reasonable fees and charges of any attorney, architect, engineer and other consultants and experts engaged by the Board in connection with such Alteration agreement, as well as those of the Building's Managing Agent (the proposed fee of the Managing Agent for Unit Alterations set forth in the Plan shall be deemed reasonable);

(i) no Work by a Sold Unit Owner or the Condominium Board shall be undertaken that would with reasonable likelihood: (i-1) permanently or substantially prevent, interfere with, interrupt or adversely affect the Operation of a Commercial Unit or the business of any tenants or occupants thereof or other Use and Enjoyment of a Commercial Unit or any portion thereof, without obtaining the prior written Discretionary Approval or Consent of the Owner of such Commercial Unit therefor; or (i-2) otherwise temporarily prevent, interfere with, interrupt or adversely affect the Use and Enjoyment of a Commercial Unit, without obtaining the prior written Reasonable Approval or Consent of the Owner of such Commercial Unit therefor; and if said Discretionary or Reasonable Approval or Consent (as applicable) is given, the Responsible Party performing such Work shall indemnify such Commercial Unit from and against any and all Claims and Liabilities and Expenses arising from the Work, including any Claims asserted by tenants or occupants of such Commercial Unit (if the Condominium Board is the Responsible Party, such indemnity shall be deemed given on behalf and for the account of only the applicable Unit Owners who are paying for the costs of the Work);

(j) all Work undertaken or performed by an Owner, tenant or occupant of a Sold Unit, in addition to the other Work Requirements set forth herein, shall be performed: (j-1) in a manner that shall not interfere with, or cause any labor disturbances or stoppages in, the Work of the Condominium Association's employees or the contractors or subcontractors employed by the Condominium Board or Sponsor in connection with any services being provided to, or Work being performed in, the Units or the Building; and (j-2) by such architects, engineers, contractors, subcontractors, suppliers and other laborers who are on the Managing Agent's then approved list, as such list may change from time to time, in the sole discretion of the Residential Board Members or the Managing Agent;

(k) in addition to the other Work Requirements set forth in this Section 15.2, until Sponsor has fulfilled its obligation under the Plan to obtain a permanent Certificate of Occupancy of the Building (**"C of O"**) authorizing the use of the Units as built for their intended purposes as set forth in the Plan and this Declaration, no Work shall be undertaken or performed by an Owner, tenant or occupant of a Sold Unit or by the Condominium Board or its agents (including the Managing Agent) or employees or contractors (other than ordinary Maintenance and Repairs that do not require the filing of an alteration application with, or the issuance of a building or construction or work permit or other similar authorization from, the New York City Department of Buildings or other Governmental Authority), unless all of the following are complied with (any conflict or ambiguity between the provisions of this clause (k) and any other Work Requirements shall be resolved in favor of this clause (k), which is paramount and shall govern):

(k-1) the applicable Sold Unit Owner or Condominium Board (as the case may be) shall first give Sponsor a reasonably detailed written notice of the Work and such further information (including architectural and/or engineering plans and specifications) as Sponsor may require; and

(k-2) the applicable Sold Unit Owner or the Condominium Board (as the case may be) shall obtain the prior written Discretionary Approval or Consent of Sponsor therefor, and if such approval or consent is given Sponsor may (in Sponsor's sole and absolute discretion) condition same upon compliance with any one or more, or all, of the following requirements (it being intended that Sponsor may at any time revoke its approval or consent for failure to comply with any thereof):

(k-2.1) if the continuance of such Work or any condition arising therefrom would (in Sponsor's sole and absolute judgment) delay the issuance of said permanent C of O or a temporary C of O or an extension of a previously issued temporary C of O, then immediately after the giving of written notice by Sponsor, said Unit Owner or the Condominium Board (as applicable) shall cease all such Work, remove any such condition and restore the Unit or the Common Elements (as applicable) to the condition existing before commencing such Work, all as and to the extent required by Sponsor;

(k-2.2) Sponsor hereby reserves the right to enter the Unit or the Common Elements (as applicable) and, at the sole Cost and Expense of such Unit Owner or the Condominium Board (as applicable), remove such condition and restore the Unit or the Common Elements (as applicable) to its or their former condition if not so done promptly and within any time period specified by Sponsor;

(k-2.3) clauses (k-1), (k-2.1) and (k-2.2) above shall apply to any proposed changes in such permitted Work;

(k-2.4) if requested by Sponsor, said Unit Owner or the Condominium Board (as applicable) shall post a bond or other security acceptable to Sponsor, in such amount and issued by such insurer or other issuer acceptable to Sponsor, in order to secure the diligent and lien-free completion of such Work and compliance with all applicable Laws;

(k-2.5) such Work shall not commence until all required permits, certificates licenses and other authorizations therefor are issued and complete copies thereof are delivered to, and received by, Sponsor;

(k-2.6) such Work shall be prosecuted with reasonable diligence and continuity to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits, certificates, licenses and other authorizations of Governmental Authorities having jurisdiction;

(k-2.7) Sponsor and its representatives shall be given reasonable access to the Unit or the Common Elements (as applicable), from time to time, to inspect such Work as it progresses;

(k-2.8) promptly after the completion of such Work, all necessary governmental inspections, approvals and sign-offs of the same 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, sign-offs, notices and certifications;

(k-2.9) said Unit Owner or the Condominium Board (as applicable) shall indemnify Sponsor from and against all Claims and Liabilities and Expenses arising, directly or indirectly, from such Work or the failure to comply with any of the requirements set forth in this clause (k-2), including Claims and Liabilities and Expenses incurred or suffered by Sponsor due to: any violation of Law, any delay in obtaining a temporary or permanent C of O or an extension of a previously issued temporary C of O, or the failure to make all appropriate filings with Governmental Authorities in connection with the same; and

(k-2.10) 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 directly or indirectly at the behest, for the benefit, or for the account of Sponsor or the Condominium Board, such Work shall be performed solely by union members;

(l) if any Owner, tenant or occupant of a Sold Unit or the Condominium Board commences any such Work in violation of the terms and conditions of the preceding clause (k), or fails to comply with any of the requirements set forth in the preceding clause (k-2) in connection with the same, then until such offending Party complies with same, Sponsor shall be entitled to cause such Work by such offending Party to be halted, including to cause the Managing Agent and the Building's superintendent to deny access to the Building to such offending Party's Agents, Employees and Contractors for any purpose (other than to remove their tools and Equipment, provided such Persons are accompanied at all times by the Building's superintendent or other Person designated by Sponsor), and during the period the Work is halted and until such offending Party is permitted hereunder to resume its Work, Sponsor shall have the right (but not the obligation), for the account of such offending Party, to perform any and all Work in and to such offending Party's Unit or the Common Elements (as applicable) as shall be necessary, in Sponsor's sole and absolute judgment, in order to avoid or reduce any delay in obtaining said temporary or permanent C of O for the Building (or an extension of any previously issued temporary C of O), 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 offending Party (the Costs and Expenses of any such Work performed by Sponsor shall be borne by such offending Party and shall be paid to Sponsor within ten (10) calendar days from giving a reasonably detailed written demand by Sponsor therefor, which shall be accompanied by any supporting bills from contractors and suppliers or the wages of Sponsor's employees engaged in such Work); and

(m) all Work to be undertaken affecting the Building Walls that enclose or border the Residential Space (which are part of the Residential Limited Common Elements) or the Building's service entrance (which are part of the General Common Elements), shall be determined by the Condominium Board; provided, however, that if such Work will involve the erection of a sidewalk bridge, scaffolding or other structure in front of Commercial Unit 1 or 2, or the hanging of a scaffold from the Building's Roof above Commercial Unit 1 or 2 (all of the foregoing are collectively **"Sidewalk Structure"**), the following shall apply and be observed:

(m-1) the Owners of Commercial Units 1 and 2, jointly, shall exclusively control and make all determinations concerning the timing, duration and manner of

performance of all such Work, including the Sidewalk Structure to be erected and all other incidental Work related to such Building Walls, including the following:

(m-1.1) choosing the contractors and approving all subcontractors engaged in the Work, but subject to obtaining the prior written Reasonable Approval or Consent of the Condominium Board;

(m-1.2) approving the terms of all contracts for such Work, which are to be made in the name of, and signed by, the Condominium Board or (at the exclusive option and discretion of said Commercial Unit Owners) shall be executed by said Commercial Unit Owners on behalf and for the account of, and as attorney-in-fact in the name of, the Condominium Board, subject to obtaining the prior written Reasonable Approval or Consent of the Condominium Board;

(m-1.3) the commencement date and duration of the Work, except that in the case of an emergency requiring immediate remedial action to avoid bodily injury or substantial property damage, the Work is to commence with reasonably prompt diligence as required by the circumstances;

(m-1.4) the progress of the Work, which is to be under the exclusive supervision of said Commercial Unit Owners; and

(m-1.5) the Signage on the Sidewalk Structure for each store or tenant of said Commercial Units 1 and 2 affected by the Sidewalk Structure (each Sign is to be of such size, material, fabrication, color, composition and appearance as shall be determined exclusively by said Commercial Unit Owners or at each such Owner's sole option, the affected tenant(s) of its Commercial Unit), which is to be designed, fabricated, installed and removed at the sole Cost and Expense of the Condominium Board as part of the Residential Common Expenses allocated, assessed and apportioned to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests; and

(m-2) said Commercial Unit Owners shall receive no compensation in connection with the foregoing, but all out-of-pocket Costs and Expenses paid or incurred by them to unrelated third parties with respect thereto shall be reimbursed to such Commercial Unit Owners by the Condominium Board promptly following written demand accompanied by copies of bills or other appropriate proof of payment or other appropriate proof of such Costs and Expenses, as applicable.

Section 15.3 **Procedure to Obtain Approval.** Whenever an Owner or tenant of a Sold Unit is required to obtain the Discretionary or Reasonable Approval or Consent of the Board in this Declaration or the By-Laws, such Sold Unit Owner or tenant (together, ("**Applicant**"), at Applicant's sole Cost and Expense, shall submit to the Board such documents and information (including plans and specifications of any proposed Maintenance, Repair, Alteration or other Work) as the Board may reasonably request. The Board, at the sole Cost and Expense of the Applicant, may engage one (1) or more architects, engineers and other consultants and experts to review, consult and advise on such documents and information, to

monitor the Work and generally on the matters for which the Discretionary or Reasonable Approval or Consent (as applicable) is required. The Applicant shall also pay or reimburse the Board (as directed) for the reasonable fees and charges of the Managing Agent and any attorney retained by the Board in connection therewith and any Alteration agreement to be entered into with respect thereto (the proposed fee of the Managing Agent for such service set forth in the Plan shall be deemed to be reasonable). All amounts payable by the Applicant pursuant to this Section 15.3 shall constitute part of the Common Charges of the Applicant's Sold Unit and shall be payable by the Owners of such Sold Unit within ten (10) calendar days after written demand therefor is made, which shall be accompanied by a reasonably detailed statement of such Costs and Expenses.

Section 15.4 30 Days to Approve or to Deny. The Board shall respond to such request for Discretionary or Reasonable Approval or Consent within thirty (30) calendar days after it receives the request and all such related documents and information. Failure to timely respond shall constitute the requisite Approval or Consent (as applicable) of the Board. In the event the Reasonable Approval or Consent of the Board is required and the Board conditions, withholds or denies giving its Reasonable Approval or Consent, the Board shall set forth its basis or explanation of such condition, withholding or denial, including (if applicable) a failure of the Applicant Sold Unit Owner to submit adequate documents or information to make a determination on whether to give, deny, withhold or condition its Reasonable Approval or Consent. In all cases not expressly providing for the Reasonable Approval or Consent of the Board, the approval or consent to be obtained shall be the Discretionary Approval or Consent and, accordingly, may be delayed, conditioned, withheld or denied without cause or explanation and without liability or other recourse against the Board , or its members, officers, agents, employees or attorneys, by reason thereof.

Section 15.5 No Assumption of Liability or Approval of Suitability.

Section 15.5.1 No Assumption of Liability. The Condominium Board and Unit Owners (other than the Unit Owner who or whose tenant or Unit's occupant is performing the Work), and their respective employees, agents, attorneys and the respective Related Parties of said Unit Owners shall not be responsible or liable for the Work performed by an Owner, tenant or occupant of a Unit, or for any Claims or Liabilities and Expenses arising therefrom. Similarly, the Commercial Unit Owners shall not be responsible or liable for the Work performed by the Condominium Board with respect to only the Residential Space or the Association's Residential Properties, or for any Claims or Liabilities and Expenses arising therefrom. The Responsible Party performing the Work and (in the case of Work being performed by the Condominium Board on only the Residential Space) the Condominium Board as agent on behalf of only all Residential and Storage Unit Owners shall be solely responsible and liable for all Claims and Liabilities and Expenses arising from the Work, including those relating to: (a) the preparation, execution or submission of a Government Document; (b) payments to contractors, subcontractors, workers, architects, engineers, consultants or others engaged in the Work or to suppliers of material or Equipment; and (c) personal injury and property damage.

Section 15.5.2 No Assumption of Suitability. The approval or consent of the Condominium Board or Sponsor, and the approval or consent given with respect to any plans and specifications or the other documents or information submitted in connection with a request for approval or consent, shall not constitute an assumption by the Condominium Board or Sponsor of any responsibility or liability for the Maintenance, Repair, Alteration or other Work to which the same relates, nor an approval, acknowledgment or admission of the accuracy, suitability or soundness of such plans and specifications or other documents or information or their conformity with applicable Law, nor a limitation on the rights of the Board or Sponsor, or the obligations of the Responsible Party performing such Maintenance, Repair, Alteration or

other Work, and such Responsible Party shall remain solely responsible and liable for such Maintenance, Repair, Alteration or other Work.

Section 15.6 Remedies. If any of the Work Requirements are not timely met or observed or are otherwise violated, the Board (with respect to Work in or affecting the Common Elements), the Sponsor (with respect to Work requiring the Discretionary or Reasonable Approval or Consent of Sponsor) and a Unit Owner (with respect to Work in or affecting such Owner's Unit) shall have the following rights so long as such violation continues and until all Work Requirements are met and observed: (a) the right to suspend, prohibit and enjoin the Work and stop workers, suppliers or deliveries from entering such Common Elements or such Owner's Unit (as applicable); and (b) if reasonably required to avoid or discharge a violation of Law or the Condominium Documents or an impermissible prevention or interruption in the permitted use or Operation of, or the business conducted in, or the services to, such Common Elements or such Owner's Unit, or to avoid or reduce delaying the issuance of the aforesaid permanent Certificate of Occupancy of the Building or the aforesaid extension of a previously issued temporary Certificate of Occupancy as provided in Section 15.2 (k) and (l) above) the right to cause the offending Work to be removed and such Common Elements or such Owner's Unit (as applicable) to be restored to its former condition before undertaking the Work, all at the sole Cost and Expense of the Responsible Party.

Section 15.7 Correction of Defects. The Responsible Party performing the Work shall assume full and sole responsibility (including payment and performance) to promptly and properly correct all defects (latent and patent, structural and non-structural, ordinary and extraordinary) in the Work. If such defects adversely affect the Use and Enjoyment of the Common Elements or a Unit of another Unit Owner and are not corrected promptly and (in any event) within thirty (30) calendar days after being given written notice thereof, the Board or (if the Board is the Responsible Party) Sponsor during only the Sponsor Veto Control Period and until issuance of said permanent Certificate of Occupancy of the Building (in the case of the Common Elements) and the affected Unit Owner (in the case of such Owner's Unit) shall have the right, for the account and at the sole Cost and Expense of the Responsible Party, to correct the defect to the extent necessary to permit the continued Use and Enjoyment of the adversely affected Common Elements or Unit (as applicable).

ARTICLE 16

ACQUISITION OF UNITS BY CONDOMINIUM BOARD

Section 16.1 Authority for Acquisition. The Condominium Board is hereby granted the power as agent of the applicable Unit Owners on whose behalf the Board is acting (as set forth herein and in the By-Laws and subject to the special allocation, apportionment and assessment of Costs and Expenses set forth in Section 16.5 below):

(a) to accept a surrender of, and thereby acquire title to, a Unit and its appurtenant Common Interest from any Unit Owner who elects to surrender the Owner's Unit and its appurtenant Common Interest pursuant to the terms of the By-Laws or Section 339-x of the Condominium Act;

(b) to purchase and acquire or lease a Unit and its appurtenant Common Interest and other real and personal property pursuant to Article 2 of the By-Laws, which includes a purchase or lease as a result of the exercise of a Match Offer Right (commonly known as a Right of First Refusal) of the Condominium Board, as provided in Article 16 of the By-Laws; and

(c) to purchase and acquire title to a Unit and its appurtenant Common Interest at a sale following a foreclosure of its lien for unpaid Common Charges pursuant to the By-Laws and Section 339-aa of the Condominium Act or to so purchase and acquire a Unit and its appurtenant Common Interest by a deed given in lieu of such foreclosure.

Section 16.2 **Acquisition By Nominee or Designee of Board.** Such acquisition, purchase or lease of a Unit or other real and personal property pursuant to Section 16.1 above may, at the option and discretion of the Condominium Board, be in the name of the Condominium Board or in the name of a nominee or designee of the Condominium Board, corporate or otherwise, in each case as agent of only the applicable Unit Owners on whose behalf the Board is acting (e.g., only all Residential and Storage Unit Owners in the case of a Residential or Storage Unit being acquired, purchased or leased).

Section 16.3 **Authority for Dispositions.** The Condominium Board, as agent of only the applicable Unit Owners on whose behalf the Board is acting, is hereby granted the further power to make all Dispositions whatsoever with respect to each Unit acquired, purchased or leased pursuant to Section 16.1 above (but not to cast the votes appurtenant to a Unit owned by the Condominium Board or its nominee or designee), including the following:

(a) to hold, lease or sublease and Operate such Unit and its Equipment and Installations;

(b) (in the case of a Unit acquired or purchased) to mortgage and grant security interests in such Unit and its appurtenant Common Interest, subject to obtaining the Discretionary Approval or Consent of Sponsor during only the Sponsor Veto Control Period and the Unit Owners, if and to the extent required under the By-Laws;

(c) (in the case of a Unit acquired or purchased) to offer and contract for sale at public or (at the option and discretion of the Condominium Board) private sale, on terms and conditions determined by the Condominium Board (in its sole judgment and discretion), and convey such Unit and its appurtenant Common Interest; and

(d) to make such other Dispositions of such Unit and its appurtenant Common Interest as may be determined by the Condominium Board, in its sole judgment and discretion (but not to cast the votes appurtenant to a Unit owned by the Condominium Board or its nominee or designee).

The foregoing power to make Dispositions of a Unit shall apply to all other real and personal property acquired, purchased or leased by the Condominium Board pursuant to Section 16.1 above.

Section 16.4 **Included in Association Residential Properties.** Each Residential or Storage Unit acquired, purchased, leased, Operated or otherwise held by the Condominium Board (or its nominee or designee) shall be part of the Association's Residential Properties and all Unit Owners shall be deemed to have waived all rights of partition, use and occupancy thereof.

Section 16.5 **Allocation of Costs and Expenses.** The purchase price and related acquisition expenses or the rent and related leasing expenses payable by the Condominium Board (or its nominee or designee) to purchase or lease a Residential or Storage Unit (as applicable), and all Costs and Expenses to own or lease (as applicable) such Unit, including the Maintenance, Repair, Alteration, Operation and Disposition of such Unit, shall be borne entirely by the Residential and Storage Unit Owners as part of the Residential Common Expenses and

charged to only the Residential and Storage Unit Owners Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule set forth in Article 9 above and Section 339-m of the Condominium Act.

ARTICLE 17

POWER OF ATTORNEY FROM EACH UNIT OWNER

Section 17.1 Grant of Limited Power of Attorney. With the intention to constitute a limited, durable power of attorney:

(a) Sponsor (as the initial Owner of all Units) does hereby irrevocably authorize, appoint and designate, and

(b) all successive Owners of each and every Unit, by accepting or recording a deed to a Unit or otherwise succeeding to title to a Unit (whether through operation of Law, or by transfer, merger, consolidation, liquidation, dissolution or otherwise), shall thereupon automatically have, and be deemed to have, irrevocably authorized, appointed and designated,

each of the following (individually, "**attorney-in-fact**"), severally, as agent and attorney-in-fact, "coupled with an interest" and for valuable consideration, and with full power of substitution, of Sponsor or each such Unit Owner (either, "**Principal**"), as applicable, to act on behalf and as agent of Principal and in the name, place and stead of the Principal in any way which the Principal could do if personally present, to the full extent that the Principal is permitted by Law to act through an agent, with respect only to all of those matters, transactions and Dispositions expressly stated in this Declaration or the By-Laws that each such attorney-in-fact has the power to do or perform on behalf and as agent of Principal, including in particular (but not limited to) the following rights, powers and authority (collectively, "**power**" or "**powers**"):

(a) Sponsor, each Unit Owner and the individuals who shall from time to time constitute the Condominium Board (in their capacity as Board Members), severally, as agent and attorney-in-fact of Principal, having the power to amend the Condominium Documents in accordance with Article 22 below;

(b) Sponsor and the individuals who shall from time to time constitute the Condominium Board (in their capacity as Board Members), severally, as agent and attorney-in-fact of Principal, having the power to grant Utility Easements and Rights and Additional Utility Easements/Rights in accordance with Section 11.11 above or to record a correction Declaration in accordance with Section 21.6 below;

(c) Sponsor, each and every Unsold Unit Owner, the tenants of an Unsold Unit and other Persons who are so expressly authorized by Declarant or an Unsold Unit Owner, severally, as agent and attorney in fact of Principal, having the power to erect and install Communications Equipment and Other Installations on and in portions of the Common Elements, and to thereafter inspect use, lease, license, Operate, Repair and Alter same thereon and therein, all as set forth in Section 11.14 of the Declaration;

(d) the individuals who shall from time to time constitute the Condominium Board, in their capacity as Board Members and by the resolution adopted by a majority of the then existing Board Members or Residential Board Members or Commercial Board Members

(as applicable and as provided in this Declaration or the By-Laws) attending a duly constituted Board meeting at which a quorum is present, as agent and attorney-in-fact of Principal, having the power to do the following in the name of the Condominium Board or in the name of the Condominium Board's nominee or designee, corporate or otherwise (where applicable and provided in this Declaration or the By-Laws):

(d-1) to exercise, perform, give, grant, delegate and withhold the powers, rights, licenses, easements, leases, subleases, concessions, mortgages, deeds, security interests, collateral, Government Documents, Litigation Documents, instruments, approvals, consents, discretion's and judgments expressly authorized in the Condominium Documents (as each may be duly amended from time to time) to be exercised, performed, given, granted, delegated and withheld by the Condominium Board on behalf and as agent of all or certain Unit Owners, including in particular (but not limited to) the following powers:

(d-1.1) the power to acquire and purchase or lease in the name of the Board or its nominee or designee, corporate or otherwise, as agent on behalf of only the Residential and Storage Unit Owners, any Sold Residential and/or Sold Storage Unit, together with its appurtenant Common Interest(s), from any Sold Residential and/or Sold Storage Unit Owner desiring to sell, convey, transfer, assign or lease the same in accordance with the Board's Match Offer Right or Right of First Refusal (as provided in the By-Laws), upon such terms and conditions as shall be approved by the Board, in its sole discretion, but subject to obtaining the approval of a majority in Common Interest of those Residential and Storage Unit Owners attending a duly constructed meeting of such Unit Owners called for such purpose, at which a quorum is present;

(d-1.2) the power to acquire in the name of the Board or its nominee or designee, corporate or otherwise, as agent on behalf of all or certain Unit Owners (as applicable), any Unit, together with its appurtenant Common Interest, whose Owner elects to surrender the same pursuant to subsection 8.11 of the By-Laws;

(d-1.3) the power to acquire and purchase in the name of the Board or its nominee or designee, corporate or otherwise, as agent on behalf of all or certain Unit Owners, any Unit, together with its appurtenant Common Interest, at a sale following a foreclosure of the lien for unpaid Common Charges pursuant to the By-Laws and Section 339-aa of the Condominium Act, or to so acquire and purchase a Unit and its appurtenant Common Interest by deed given in lieu of such foreclosure, and in either case upon such terms and conditions as shall be approved by the Board, in its sole discretion;

(d-1.4) the power to acquire and purchase or lease in the name of the Board or its nominee or designee, corporate or otherwise, as agent on behalf of all or certain Unit Owners (as applicable) any Unit, together, as its Common Interest, or other real or personal property, pursuant to Article 2, subsection 2.4.2 of the By-Laws; and

(d-1.5) (after any such acquisition or purchase or leasing pursuant to the preceding clause (d-1.1), (d-1.2), (d-1.3), or (d-1.4), as applicable) the power to convey, sell, lease, mortgage and otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired or purchased by the Board or its nominee or designee, or to sublease any Unit so leased by the Board or its nominee or designee, without the necessity of further authorization by the said Unit Owners, on such terms as the attorneys-in-fact may determine;

(d-2) to execute, acknowledge, deliver and, if necessary, record or file any application, document, declaration or other instrument, or any Amendment thereto, affecting

(d-2.1) the Condominium Association, the Property, the Common Elements or the Association's Properties, or a portion of any of the foregoing, that the Condominium Board deems necessary or appropriate or is required to so do under this Declaration or the By-Laws in connection with the following: (a) to comply with any Law (including a zoning resolution or variance, or a requirement of a Governmental Authority, such as the Department of Buildings, the City Planning Commission or the Board of Standards and Appeals); or (b) to permit or facilitate the Use and Enjoyment of all or part of the Common Elements, the Association's Properties or the Units by the respective Owners and Permitted Tenants/Occupants/Invitees of Units in accordance with the Condominium Documents; or

(d-2.2) a Unit (including a Sponsor Unit, an Unsold Unit or a Commercial Unit) or (if established) such Unit's appurtenant Individual Limited Common Element that the Owner of such Unit requests, if required by this Declaration or the By-Laws or if deemed appropriate by said attorneys-in-fact in their sole and absolute discretion; and

(d-3) to execute acknowledge, deliver and record an instrument pursuant to which the Restrictive Declaration is amended, modified or cancelled.

Section 17.2 **Power of Substitution.** The power of substitution in the foregoing limited, durable power of attorney in Section 17.1 includes the full and unqualified authority of each attorney-in-fact to delegate any or all of the foregoing powers given or conferred upon such attorney-in-fact in Section 17.1 to any Person or Persons whom such attorney-in-fact shall select.

Section 17.3 **Durability.** The limited power of attorney in Section 17.1 above shall be durable and shall not be affected by the subsequent disability or incompetence of the Principal.

Section 17.4 **Unit Owner's Confirmatory Power of Attorney.** In confirmation of the foregoing limited power of attorney in Section 17.1 above, each Unit Owner (including the Owner of a Residential Unit, a Storage Unit or a Commercial Unit), upon acquiring or succeeding to title to a Unit, and simultaneously with the recording of the deed or otherwise succeeding to title to a Unit, at such Owner's sole Cost and Expense, shall duly execute, acknowledge and record in the Register's Office, a Unit Owner's Power of Attorney substantially in the form set forth as EXHIBIT E hereto.

Section 17.5 Limited Power of Attorney Unimpaired. The failure of a Unit Owner to so execute and deliver such confirmatory Unit Owner's Power of Attorney shall not affect: (a) the validity or enforceability of the limited power of attorney granted in Section 17.1 above; (b) the right, power and authority of each attorney-in-fact listed in section 17.1, as agent and attorney-in-fact for such Unit Owner for the matters indicated in Section 17.1 above; or (c) the validity, force, effect or enforceability of the acts of the attorney-in-fact taken pursuant thereto as agent and attorney-in-fact of such Unit Owner.

ARTICLE 18

PRIORITY OF LIEN FOR COMMON CHARGES

Section 18.1 Liens of Prior Recorded First Mortgage. The lien of a prior recorded first mortgage on a Unit shall be superior to the lien for Common Charges on that Unit; however, the lien of any other mortgage on a Unit (i.e., a mortgage which is not a prior recorded first mortgage) shall be subordinate to the lien for Common Charges under the By-Laws and the Condominium Act.

Section 18.2 Liability for Unpaid Common Charges. Subject to compliance with Section 18.1 above, a Person who succeeds to title to a Unit on a sale or conveyance following a foreclosure of a first mortgage on such Unit or by deed given in lieu thereof, shall not be liable or responsible for the unpaid Common Charges or Special Assessments of the predecessor Owner of such Unit accruing prior to the date such Person succeeds to title to the Unit and upon title passing to such Person (whether by sale or conveyance as aforesaid), the Unit shall not be subject to the lien in favor of the Condominium Board under the By-Laws and the Condominium Act for such accrued and unpaid Common Charges and Special Assessments owed by the predecessor Owner.

ARTICLE 19

TERMINATION OF CONDOMINIUM

Section 19.1 Condominium Termination Events. The Condominium shall continue until the occurrence of any of the following events ("**Condominium Termination Events**"):

(a) a destruction or substantial damage of three-fourths or more of the Building and 75% or more in number of all Unit Owners do not duly and promptly resolve to proceed with the Repair or restoration;

(b) a taking by condemnation or eminent domain ("**Taking**" or "**Taken**") of the entire Property; or

(c) a withdrawal of the Property from the Condominium Act authorized by more than 95% in number and Common Interest of all Unit Owners, in writing or by vote cast by written ballot at a meeting of Unit Owners at which a quorum is present, duly constituted and called for such purpose; provided, however, that a vote of a Unit Owner in favor of withdrawal shall not be effective or counted without the prior written consent of the holder of each Registered Mortgage on such Owner's Unit, if such Registered Mortgage so expressly provides; and provided further that Sponsor or its designee (as applicable) as Owner of Unsold Residential and Storage Units, shall not vote its interests appurtenant to any Unsold Residential and Storage Units for withdrawal unless more

than 95% in number and Common Interest of all other Unit Owners have voted in favor of such withdrawal, at which time Sponsor or its designee (as applicable) may vote either in favor of, or against, withdrawal from condominium ownership, as it sees fit.

The Condominium Board and its nominee or designee shall have no voting rights with respect to any Units owned by each of them and such Parties and Units shall be excluded from the base number of Owners, Units and Common Interests in determining whether such 75% or 95% threshold is met for quorum and voting purposes.

Section 19.2 **Partition.** Upon the occurrence of a Condominium Termination Event (other than said Taking of the entire Property pursuant to clause (b) of Section 19.1 above), the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common. The net proceeds of sale resulting from such action for partition (other than in connection with a partial Taking) shall be divided among all of the Unit Owners Pro Rata 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 its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit in the order of the priority of such liens. In the event of a partial Taking which results in an action for partition of the remaining portions of the Property not so Taken, or if the entire Property is Taken pursuant to said Section 19.1(b) above, then the award of the Taking authority and (in the case of said partial Taking) the net proceeds of sale resulting from the action for partition shall be apportioned and divided among all Unit Owners Pro Rata to the respective then existing fair market values of the Units and their appurtenant Common Interests as provided in Article 18 of the By-Laws.

ARTICLE 20

COOPERATION AND FURTHER ASSURANCES

Section 20.1 **Covenant to Cooperate.** The Condominium Board (including the members and officers of the Board), each Unit Owner and all other Persons (including tenants, subtenants and occupants of Units) who, or whose interests in the Property or a Unit, are subject to this Declaration (each of the foregoing, an "**Interested Party**"), shall fully cooperate with each other to effectuate the purposes and provisions of the Condominium Documents, including the Maintenance, Repair, Alteration and Operation of a Unit, the Common Elements or the Association's Properties.

Section 20.2 **Actions and Documents.** In furtherance of such cooperation, an Interested Party shall diligently take such actions and shall diligently and properly complete, sign, have notarized or acknowledged (if and as required) and deliver such documents (including Government Documents and Litigation Documents) as may be reasonably requested by another Interested Party (the latter, a "**Requesting Party**") in order to effectuate the purposes and provisions of the Condominium Documents and to realize the benefits intended to be conferred thereby. If the Requesting Party is a Residential or Storage Unit Owner or a Commercial Unit Owner and involves only the Residential Space or a Commercial Unit, respectively, the vote of only the Residential Board Members or Commercial Board Members, respectively, shall be necessary for any action or transaction of the Condominium Board in connection therewith.

Section 20.3 **Rights and Obligations of Requesting Party.** The Requesting Party shall:

(a) pay or reimburse the Condominium Board (as directed) for the reasonable Costs and Expenses of the Interested Party to perform a request made by a Requesting Party under Section 20.2, other than those matters expressly stated elsewhere in this Declaration or the By-Laws to be performed by the Interested Party without (i.e., free of) fee or charge, or payment of any Costs and Expenses (such as in the case of a Requesting Party who is the Sponsor, an Unsold Unit Owner or a Commercial Unit Owner);

(b) pay the governmental fees and charges required in connection with a Government Document;

(c) have the exclusive right to select the attorney, make all decisions, conduct and control the litigation and all settlement and other negotiations in connection with the litigation that is the subject of a Litigation Document; provided, however, that each Interested Party who is a party to a litigation shall have the right to approve any proposed compromise or settlement thereof that would adversely affect such Interested Party;

(d) pay all legal fees and disbursements (other than those of any separate attorney the Interested Party may retain for services not included in the following clause (e) hereof), court costs and other expenses of such litigation;

(e) pay the reasonable fees and disbursements of architects, engineers, attorneys, professionals and other consultants and experts of the Interested Party to review a Government Document or Litigation Document, except where expressly stated elsewhere in this Declaration or the By-Laws that such Document is to be executed without (i.e., free of) payment of Costs and Expenses (such as in the case of a Requesting Party who is the Sponsor, an Unsold Unit Owner or a Commercial Unit Owner); and

(f) indemnify each and every Interested Party and all "Indemnified Parties" (as defined and provided in Section 29.1 below) from and against all Claims and Liabilities and Expenses resulting from the execution of a Government Document or Litigation Document by the Interested Party or from any Work performed by contractors or other workers engaged by the Requesting Party pursuant to a Government Document or from any action or inaction taken or omitted in accordance with these provisions, other than those Costs and Expenses (such as fees and disbursements of attorneys, architects, engineers, attorneys, professionals and other consultants and experts) expressly stated elsewhere in this Declaration or the By-Laws to be paid by the Interested Party without reimbursement (such as in the case of Requesting Party who is the Sponsor, an Unsold Unit Owner or a Commercial Unit Owner).

Section 20.4 **Giving Assurances.** Each Interested Party shall make and give such assurances as may be reasonably requested by a Requesting Party to confirm or effectuate the provisions of the Condominium Documents or any transaction, action, right, power, privilege, exemption, easement, license, indemnity, remedy, benefit, requirement or other matter provided, authorized, permitted or contemplated in the Condominium Documents (collectively, "**Assurances**").

Section 20.5 **Giving Instruments and Documents.** The making and giving of Assurances includes the requirement for the Interested Party to sign, have notarized or acknowledged (if and as applicable) and deliver to the Requesting Party, and the Requesting Party to receive, within ten (10) calendar days after written request therefor is given, instruments

or documents (in addition to those specifically provided in the Condominium Documents) prepared or provided by, and at the expense of, the Requesting Party in accordance with, and if and to the extent required in Section 20.2 above.

Section 20.6 Limited Power of Attorney.

Section 20.6.1 Grant of Limited Power of Attorney. With the intention to constitute a limited, durable power of attorney, an Interested Party who improperly refuses or fails to timely make or give an Assurance, shall automatically have, and deemed to have, irrevocably authorized, appointed and designated the applicable Requesting Party to act as agent and attorney-in-fact, "coupled with an interest" and for valuable consideration, and with the "power of substitution" (as defined and provided in subsection 20.6.2 below) of such Interested Party, in the name, place and stead of such Interested Party in any way which such Interested Party could do if personally present, with respect only to the matters involved in the making and giving of such Assurance, to the full extent that such Interested Party is permitted by Law to act through an agent.

Section 20.6.2 Power of Substitution. The "**power of substitution**" in the foregoing limited power of attorney in Section 20.6.1 includes the full and unqualified authority of the attorney-in-fact to delegate this limited power of attorney to any Person or Persons whom such attorney-in-fact shall select.

Section 20.6.3 Durable. This limited power of attorney shall be durable and shall not be affected by the disability or incompetence of the principal (that is, the applicable Interested Party) or any other Person comprising the principal.

ARTICLE 21

COVENANTS TO RUN WITH THE LAND; COMPLIANCE WITH CONDOMINIUM ACT

Section 21.1 Covenants Run With Land. All provisions of this Declaration, the By-Laws and the Rules and Regulations, as each may be duly amended from time to time, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, are, and shall construed: (a) to be perpetual; (b) to be covenants running with the Land and with every part thereof and interest and estate therein; (c) to inure to, benefit and bind each Owner of all or any part thereof, or interest or estate therein, and such Owner's heirs, distributees, executors, administrators, legal representatives, successors and assigns; and (d) to not create any rights in, or for the benefit of, the general public.

Section 21.2 Binding Effect. All present and future Owners and Permitted Tenants/Occupants/Invitees of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-Laws and the Rules and Regulations, as each may be duly amended from time to time.

Section 21.3 Acceptance, Adoption and Ratification. The recording or the acceptance of a deed or conveyance or the succeeding to title, the entering into a lease, or the entering into occupancy of any Unit shall constitute, and be deemed conclusively to constitute, an irrevocable agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as each may be duly amended from time to time, are accepted, adopted and ratified by the Owner and Permitted Tenants/ Occupants/Invitees of such Unit as covenants

running with the Land and binding upon such Owner and Permitted Tenants/Occupants/Invitees and any other Person having, at any time, any interest or estate in such Unit or a portion thereof, with the same force and effect as though such provisions were recited and stipulated at length in each and every deed, conveyance, lease or other document granting or establishing an interest or estate in such Unit.

Section 21.4 Invalidity and Reformation. If any provision of the Condominium Documents is invalid under, or would cause the Condominium Documents to be insufficient to submit the Property to, the provisions of the Condominium Act, or otherwise fails to comply with the Condominium Act, such provision shall be deemed deleted from the Condominium Documents for the purpose only of submitting the Property to the provisions of the Condominium Act or shall be deemed to be appropriately reformed so as to be in compliance in the Condominium Act. However, to the extent the validity of the Condominium under the Condominium Act is not adversely affected, such provision shall nevertheless be valid, enforceable and binding upon, and shall inure to the benefit of, the Owners of the Property or any portion thereof and their respective heirs, legatees, distributees, 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 other 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.

Section 21.5 Deemed Inclusion of Necessary Provisions. If any provision that 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 a 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. Such deemed included provision shall also be regarded as part of the covenants running with Land as provided in this Article 21.

Section 21.6 Correction Declaration. The Sponsor (while it owns any Unit) or the individuals who shall from time to time constitute the Condominium Board, as agent and on behalf of all Unit Owners, shall each have a limited, durable power of attorney as provided in Section 17.1 above to record a correction Declaration to effectuate the provisions of Sections 21.4 and 21.5 above or to reform the Declaration to the provisions of the Plan.

ARTICLE 22

AMENDMENTS TO DECLARATION

Section 22.1 Application to Declaration and By-Laws. All references in this Article 22 to the "Declaration" shall mean and include the Declaration and/or By-Laws (whether or not the By-Laws are expressly indicated).

Section 22.2 Requirements. Subject and subordinate to compliance with Section 22.4 below, the Condominium Board or the applicable Board Members and the Unit Owners specified below shall each have the power to amend the Declaration under the circumstances and (if required) upon obtaining the approvals and/or consents (if and as indicated below) in the

following cases (all references to "Unit Owners" or "Units" shall exclude the Condominium Board or its nominee or designee as Owner of any Unit and shall exclude the Units and Common Interests owned by the Board or its nominee or designee in determining the number and Common Interests of Unit Owners for quorum and voting purposes):

(a) in the case of an Amendment affecting only the General Common Elements, the Association's General Properties, the General Common Expenses, the General Common Charges and/or all or a portion of both the Residential Space and the Commercial Units, but subject and subordinate to clause (d) below: the Amendment may be made by the Condominium Board: (a-1) if approved or adopted by a majority of those Residential and Commercial Board Members attending a duly constituted Board meeting at which a quorum is present; and (a-2) if approved or consented to by at least two-thirds (2/3rds) or (in the case of an Amendment to Articles 7, 9, 10 or 19 above) more than 95% in number and Common Interest of all Unit Owners;

(b) in the case of an Amendment affecting only all or a portion of the Residential Space or the Association's Residential Properties, but subject and subordinate to clause (d) below: the Amendment may be by the Residential Board Members on behalf of the Condominium Board: (b-1) if approved or adopted by a majority of only those Residential Board Members attending a duly constituted meeting of Residential Board Members at which a quorum is present, inclusive of the Independent Board Members and the Sponsor Board Member(s) (and without the approval or consent of the Commercial Board Members); and (b-2) if approved or consented to by at least two-thirds (2/3rds) in number and Common Interest of the Owners of all Sold and Unsold Residential and Storage Units (if such two-thirds (2/3rds) threshold is met, the Commercial Unit Owners shall be deemed to likewise have approved or consented to such Amendment);

(c) in the case of an Amendment affecting only two (2) or more Commercial Units: the Amendment may be made by at least two-thirds (2/3rds) in number and Common Interest of the Commercial Unit Owners (if such two-thirds (2/3rds) threshold is met, the Residential and Storage Unit Owners shall be deemed to likewise have approved or consented to such Amendment);

(d) in the case of an Amendment affecting only an Unsold Unit or a Commercial Unit or (if established) an Individual Limited Common Element appurtenant to an Unsold Unit or a Commercial Unit, or a Unit Change to an Unsold Unit or a Commercial Unit, including a Description Change involving an Unsold Unit or a Commercial Unit to instead comprise a portion of the Common Elements, or vice versa: the Amendment may be made solely by the applicable Owner (including Sponsor) of such Unsold Unit or Commercial Unit, as applicable (the approval or consent of the Condominium Board shall not be required and all other Unit Owners shall be deemed to have approved or consented to such Amendment);

(e) in the case of an Amendment to reflect changes required by an Institutional Lender holding, or having issued a written commitment for, a Unit mortgage, a Governmental Authority having jurisdiction over the Property or the Condominium Association, or a title insurer of a Unit: the Amendment may be made by each of the following, but subject and subordinate to the restrictions set forth in Section 22.4 below: (e-1) Sponsor so long as Sponsor owns a Unit (the approval or consent of the Condominium Board shall not be

required and all other Unit Owners shall be deemed to have approved or consented to such Amendment); or (e-2) the Condominium Board, subject to obtaining the Discretionary Approval or Consent of Sponsor during only the Sponsor Veto Control Period (all other Unit Owners shall be deemed to have approved or consented to such Amendment);

(f) in the case of an Amendment to reflect only the subdivision of a Sold Unit and the proper apportionment of the Common Interest of the Sold Unit being subdivided, or the combination of a Sold Unit with all or part of one (1) or more other Sold Units and the proper apportionment of the Common Interests of the Sold Units involved in such Unit Combination: the Amendment may be made by the Owner of the Sold Unit being subdivided or by the Owner or Owners of the Sold Units involved in the Unit Combination, as applicable, subject to obtaining the Reasonable Approval of the Condominium Board (except no Board approval shall be required in the case of an Authorized First Sold Residential Unit Owner who is expressly authorized by Sponsor or an Unsold Unit Owner (as applicable) to make such Unit Change as provided in Article 13 above) (all other Unit Owner's shall be deemed to have approved or consented to such Amendment); and

(g) in the case of an Amendment affecting a Unit's appurtenant Common Interest, size or configuration: the prior written Discretionary Approval or Consent of the Owner of the affected Unit must be obtained therefor.

Section 22.3 Illustration. In furtherance of Section 22.2 above and in accordance with Article 13 above, Sponsor shall have the right to execute, record and file Amendments to the Condominium Documents from time to time, without the consent or approval of, and without such Amendments being executed by, the Condominium Board, other Unit Owners (who shall be deemed to have approved or consented to such Amendments) or Unit mortgage lenders (other than the consent of the holder of a mortgage on the applicable Sponsor Unit which is the subject of a Unit Change, if and to the extent required under such mortgage):

(a) to reflect a change in the size or number of one (1) or more Sponsor Units and the reallocation of the Common Interest(s) appurtenant to said Unit(s) involved in such Unit Change, provided such reallocation will not change the Common Interest of any other Unit without obtaining the prior written Discretionary Approval or Consent of the Owner of such other Unit; or

(b) to reflect a Description Change of a Sponsor Unit to a Common Element or an Individual Limited Common Element, or vice versa (pursuant to Section 13.1(e) above).

The Commercial Unit Owners shall each have the same right as Sponsor to execute, record and file Amendments to the Condominium Documents from time to time to reflect a Unit Change to a Commercial Unit without obtaining the consent or approval of, and without such Amendments being executed by, the Condominium Board, other Unit Owners (who shall be deemed to have approved or consented to such Amendments) or holders of mortgages on other Units.

Section 22.4 Restrictions. The following restrictions apply to each and every Amendment to this Declaration:

(a) the prior written Discretionary Approval or Consent of the applicable mortgage holder must be obtained to an Amendment that would with reasonable likelihood adversely

affect the priority or validity of the lien of a purchase money mortgage or a mortgage held by an Institutional Lender on the Unit; and

(b) the prior written Discretionary Approval or Consent of Sponsor, an Unsold Unit Owner or a Commercial Unit Owner (hereinafter, "**such Owner**"), as applicable, must be obtained to an Amendment that would with reasonable likelihood: (b-1) unreasonably interfere with a potential or proposed sale, lease, mortgage or other Disposition of a Unit owned by such Owner; (b-2) abridge, modify, suspend, eliminate or otherwise affect any right, power, easement, license, privilege, indemnity, exemption, remedy or other benefit of such Owner; (b-3) impose any discriminatory charge, fee or other imposition against or on such Owner or a tenant or occupant of such Owner's Unit; (b-4) change or restrict the permitted use or occupancy of a Unit owned by such Owner; (b-5) adversely affect the value, marketing or other Disposition of a Unit owned by such Owner; or (b-6) adversely affect a tenant or licensee of all or part of such Owner's Unit or cause such Owner to incur or suffer any additional obligation or Cost or Expense with respect to any tenant, licensee or occupant of all or part of such Owner's Unit.

A provision of an Amendment which violates or is inconsistent with or fails to comply with any of these restrictions shall be invalid, null and void, and without any force or effect.

Section 22.5 Acknowledgment and Recording. Each Amendment to this Declaration or the By-Laws must be signed and acknowledged in accordance with the legal requirements for recording a Unit deed, and shall not be effective, binding or enforceable until recorded in the Register's Office.

Section 22.6 Signatories. In the case of an Amendment to the Declaration or By-Laws by:

(a) the Condominium Board: the Amendment shall be signed and acknowledged in recordable form by any of the President or the Vice-President or a co-Vice-President and by any of the Secretary or an Assistant Secretary of the Condominium Association and (if applicable) shall include a certification by the Secretary or an Assistant Secretary that the required percentage of Unit Owners have approved or consented to the Amendment; or

(b) Sponsor, an Unsold Unit Owner, a Commercial Unit Owner or an Authorized First Sold Residential Unit Owner: the Amendment shall be signed and acknowledged in recordable form by only:

(b-1) the applicable Party recording such Amendment or (in the case of a corporation, partnership, limited liability partnership or company, trust, estate or other Entity) an officer, partner, member, trustee, executor, administrator or other appropriate Person authorized by, or having authority to act in behalf of, such Party; and

(b-2) (in the case only of an Authorized First Sold Residential Unit Owner) shall include a certification by the Secretary or an Assistant Secretary of the Condominium Association that the approval or consent of the Amendment by the Condominium Board or other Unit Owners is not required and the approval or consent of the other Unit Owners has been given or deemed to have been given..

Section 22.7 Floor Plans. The Party authorized to sign, acknowledge and record an Amendment to this Declaration in Section 22.6 above is also authorized to cause to be properly certified and filed and/or recorded with the tax assessor (and other Governmental Authority having jurisdiction) and said Register's Office an appropriate Amendment to the Floor Plans whenever required in connection with such Amendment to this Declaration (such as in the case of an Amendment to this Declaration to reflect a Unit Subdivision or a Unit Combination).

Section 22.8 Limited Power of Attorney. With the intention to constitute a limited, durable power of attorney:

(a) Sponsor (as the initial Owner of all Units) does hereby irrevocably authorize, appoint and designate, and

(b) all successive Owners of each and every Unit, by accepting or recording a deed to a Unit or otherwise succeeding to title to a Unit (whether by operation of Law, or by transfer, merger consolidation, liquidation, dissolution or otherwise) shall thereupon automatically have, and be deemed to have, irrevocably authorized, appointed and designated,

each of the respective Persons (individually, "**attorney-in-fact**") listed in Section 22.6 above, severally, as agent and attorney-in-fact, "coupled with an interest" and for valuable consideration, and with full power of substitution, of Sponsor and each such successive Unit Owner (either, "**Principal**"), as applicable, to act on behalf and as agent of Principal and in the name, place and stead of the Principal in any way which the Principal could do if personally present, to the full extent that the Principal is permitted by Law to act through an agent, with respect only to the execution, acknowledgment and recording and/or filing by said appropriate attorney-in-fact of said Amendments to this Declaration and (when applicable) Amendments to the Floor Plans in accordance with this Article 22. This limited power of attorney shall be durable and shall not be revoked in the event of the disability or incompetence of the Principal (that is, Sponsor or a successor Unit Owner).

Section 22.9 Filing of Conformed Copy. A conformed copy of the Amendment to this Declaration and (if applicable) the Amendment to the Floor Plans shall be filed promptly with the Secretary or an Assistant Secretary of the Condominium Association or the Condominium's Managing Agent (if any) by the applicable Party recording the Amendment and shall be made available by the Condominium Board at the Property or the office of the Managing Agent (if any) for inspection (without charge) and copying (at a reasonable charge) by each of the following Parties or a representative of such Party expressly authorized in writing by such Party: (a) a Unit Owner; (b) a Unit mortgage lender; (c) a tenant of a Unit who is expressly authorized in writing by the Owner of such Unit; and (d) a prospective purchaser, mortgage lender or tenant of a Unit who is expressly authorized in writing by the Owner of such Unit.

Section 22.10 Filing with Secretary of State. With reasonable promptness following the recording of an Amendment to this Declaration, such Amendment shall be filed with the Department of State of the State of New York, if and as required by the Condominium Act (including Section 339-s thereof) and the rules, regulations or requirements of the said Department of State. Such filing with the Department of State shall be the duty of the Condominium Board, at the sole Cost and Expense of the applicable Party recording the Amendment, except that if the applicable Party is the Sponsor or an Unsold Unit Owner or a

Commercial Unit Owner, then such applicable Party shall have the duty to so file the Amendment.

ARTICLE 23

CONSENT OF SPONSOR

Section 23.1 **Consent of Sponsor.** Any provision of the Condominium Documents or the Plan that requires the consent (including the Discretionary or Reasonable Approval or Consent), satisfaction or permission of Sponsor (collectively, "**Consent**") shall mean and be construed to read "the prior written Consent of Sponsor" and unless expressly stated to require the Reasonable Consent, shall mean and be construed to read the "prior written Discretionary Consent". In addition, the requirement to obtain Sponsor's Consent shall continue unabated for so long as Sponsor owns a Unit, unless otherwise expressly provided. All references to Sponsor in this Article 23 shall mean and include each of the following parties where the Consent of such Party is required: (a) an Unsold Unit Owner; (b) a Designee of an Unsold Unit Owner, or a Designee of a Designee: (c) an Involuntary Transferee of Sponsor, an Unsold Unit Owner or a Designee; and (d) a Successor in Interest to Sponsor, an Unsold Unit Owner, a Designee or an Involuntary Transferee.

Section 23.2 **Consent of Unsold Unit Owner.** In the event Sponsor no longer owns any Unit, the then existing Unsold Unit Owner(s) (if any) shall automatically succeed to Sponsor's Rights hereunder and under the By-Laws and the Plan, and the Consent of such Unsold Unit Owner(s) shall be required in place and stead of Sponsor.

Section 23.3 **Supremacy of Sponsor.** In the event Units are at the same time owned separately by Sponsor and an Unsold Unit Owner, then the Consent of Sponsor shall be sufficient for all Unsold Units whenever the Consent of Sponsor is required under the Condominium Documents, except the Consent of the applicable Unsold Unit Owner will be required if (and only if): (a) the required Consent will affect only such Owner's Unsold Unit(s) and in no way will Sponsor's Unsold Units be affected by giving, conditioning, withholding or denying the required Consent; or (b) the Common Interest or size of such Owner's Unsold Unit(s) will change by reason thereof.

Section 23.4 **Expiration.** From and after the date there are no longer any Sponsor Units or Unsold Units, the Consent of Sponsor or an Unsold Unit Owner, or (if applicable) an Involuntary Transferee of Sponsor or an Unsold Unit Owner, or a Successor in Interest of any of the foregoing, shall no longer be required.

ARTICLE 24

SERVICE OF PROCESS

Section 24.1 **Designation of Secretary of State.** The Secretary of State is hereby appointed the agent of the Condominium Board upon whom process against it or the Condominium Association may be served. Service of process on the Secretary of State as

agent of the Condominium Board and the Condominium Association shall be made by personally delivering to, and leaving with, the Secretary of State or his or her deputy, or with any Person authorized by the Secretary of State to receive such service, at the office of the New York State Department of State in Albany, New York, duplicate copies of such process together with the statutory fee, which shall be a taxable disbursement. Service of process on the Condominium Board and the Condominium Association shall be complete when the Secretary of State is so served. Nothing in this Section 24.1 shall affect the right of any Person to serve process against the Condominium Board on behalf of the Condominium Association in any other manner permitted by Law.

Section 24.2 **Person and Address to Whom Process is To Be Sent.** 130 West 30th, LLC, having a post office address at, c/o H. Justin Realty Services, LLC, 115 West 30th Street, Suite 203, New York, New York 10001 is hereby designated as the Person and address to which the Secretary of State shall mail a copy of any such process served upon the Secretary of State with respect to any Lawsuit against the Condominium Association or the Condominium Board. Each change in the name and/or post office address of the Person to whom a copy of such service of process is to be mailed by the Secretary of State shall be appropriately updated with reasonable promptness by filing such updated information with the Secretary of State in a form then acceptable to the Secretary of State.

Section 24.3 **Foreign Entity.** The recording or acceptance of a deed or conveyance of a Unit, or the succeeding to title to a Unit, by a Foreign Entity, or the entering into a lease or occupancy agreement of a Unit by a Foreign Entity, shall constitute, and be deemed conclusively to constitute, an acknowledgement and irrevocable agreement by such Foreign Entity to the following:

(a) such Foreign Entity is subject to the jurisdiction of the federal, state and local courts located in the City, County and State of New York and to the American Arbitration Association (or any successor thereto with similar function) under Article 19 of the By-Laws, and any defenses by a Foreign Entity with respect to jurisdictional defects are unconditionally waived;

(b) any judgment, order or award obtained by the Condominium Board, Sponsor, a Commercial Unit Owner, an Unsold Unit Owner or whomsoever against a Foreign Entity in a Lawsuit shall be fully enforceable against it, subject to any rights of appeal, and any defense by a Foreign Entity as to the validity or enforceability of same is hereby unconditionally waived;

(c) at or prior to the time such Foreign Entity becomes the Owner or a tenant or occupant of a Unit, it shall duly execute and deliver to the Condominium Board or the Condominium Association's then Managing Agent, and the Condominium Board or such then Managing Agent shall receive, a written designation or appointment of an agent ("**Registered Agent**") in the State of New York upon whom process against such Foreign Entity may be served;

(d) such Registered Agent shall be: (d-1) a natural person (i.e., an individual) who is a resident of the State of New York, or has a business address in the State of New York, or (d-2) an attorney duly licensed to practice law, and maintains an office and is doing

business, in the State of New York; or (d-3) an Entity authorized to do business in the State of New York; or (d-4) the Secretary of State of the State of New York;

(e) such designation or appointment of a Registered Agent shall remain in full force and effect, and may be relied upon, until such Foreign Entity duly executes and delivers to the Condominium Board or said then Managing Agent, and the Condominium Board or said then Managing Agent receives, a further written designation or appointment of a new Registered Agent who meets the qualifications set forth in the preceding clause (d);

(f) in the event of the death, incapacity, incompetency, dissolution, merger, consolidation or other cessation of a Registered Agent upon whom service of process may no longer be effectuated in the State of New York, such Foreign Entity shall immediately execute and deliver to the Condominium Board or said then Managing Agent, and the Condominium Board or said then Managing Agent shall receive, a further written designation or appointment of a new Registered Agent who meets the qualifications set forth in clause (d) above;

(g) pending receipt of such further designation or appointment of a new Registered Agent, the then Managing Agent of the Condominium Association shall automatically be, and deemed to be, the Registered Agent of such Foreign Entity and any process served on said Managing Agent while acting in such capacity as Registered Agent shall be given to such Foreign Entity in the same manner as provided for giving of notices in Article 20 of the By-Laws;

(h) the said written designation or appointment of a Registered Agent or a new Registered Agent shall be in form and substance satisfactory to the Condominium Board and may, at the Board's sole option, be prepared by the Board's attorneys at the expense of such Foreign Entity; and

(i) the failure or refusal of a Foreign Entity to comply with the provisions of the preceding clauses (c) through (h), shall, in addition to all other legal and equitable rights and remedies, entitle the Condominium Board to withhold or deny furnishing the Certificate of Waiver or Exemption set forth in Article 16, subsection 16.6.1 of the By-Laws and the Estoppel Certificate set forth in Section 16.12 of said Article 16 of the By-Laws, without the Condominium Board and Unit Owners incurring any Liabilities and Expenses, and without recourse of any kind against the Condominium Board or Unit Owners by reason thereof.

ARTICLE 25

INCORPORATION IN DECLARATION

Section 25.1 **Incorporation of Exhibits, Floor Plans and Offering Plan.** Each of the EXHIBITS attached to this Declaration, the Floor Plans of the Building and Units intended to be recorded and filed in the Register's Office contemporaneously with the recording of this Declaration, and the Plan (i.e., the Condominium Offering Plan of the Property and all Amendments thereto accepted for filing by the New York State Department of Law prior to the First Closing of a Residential Unit under such Offering Plan) form a part of, and are hereby

incorporated in, this Declaration with the same force and effect as though set forth at length herein. In the event of any inconsistency or conflict between the provisions of the Plan and this Declaration or the By-Laws (including the Rules and Regulations annexed thereto), the provisions of the Plan are paramount and shall govern and prevail. This Declaration shall govern and prevail in the event of any inconsistency or conflict between its provisions and the provisions of the By-Laws (including said Rules and Regulations).

ARTICLE 26

CHANGES AND WAIVER

Section 26.1 **Changes.** The provisions of this Declaration may be changed only by Amendment made, executed, filed and/or recorded in accordance with Article 22 above, except the Rules and Regulations appended to the By-laws may be amended or otherwise changed without recording an amendment to this Declaration or the By-Laws as provided in Article 14, Section 14.5 of the By-Laws.

Section 26.2 **No Waiver of Consent.** The provisions of this Declaration or the Condominium Act requiring the consent or approval of a specified percentage of Common Interest or number of Unit Owners may not be waived (subject to the right to provide a different percentage or number as provided in Section 339-e(8) of the Condominium Act).

Section 26.3 **Waiver in Writing.** All other provisions may be waived only in writing signed by or in behalf (through a duly authorized representative or agent) of the Unit Owner or Condominium Board (as applicable) waiving a provision hereof, unless such provision is expressly stated to have been waived or deemed waived if not exercised, satisfied or performed within a specified period.

Section 26.4 **No Inference of Waiver.** The delay or failure to enforce or insist on strict performance of, or compliance with, any provision of this Declaration shall not mean or infer that the provision has been waived or that the right to enforce or insist then or thereafter on strict performance of, or compliance with, that or any other provision of this Declaration has been waived. A waiver of any breach or violation or requirement of this Declaration shall not be, or construed to be, a waiver of any subsequent or other breach or violation or requirement hereof.

ARTICLE 27

SEVERABILITY

Section 27.1 **Valid and Enforceable.** Subject to the provisions of Sections 21.4 and 21.5 above: (a) the invalidity or unenforceability of any provision of this Declaration shall not affect the validity or enforceability of any other provision hereof; and (b) each provision of this Declaration is, and shall be construed to be, valid, binding and enforceable to the fullest extent permitted by Law.

Section 27.2 **Condominium Act is Paramount.** The Condominium Act is paramount and shall govern and supersede any provision of the Condominium Documents which is contrary to, or prohibited by, the Condominium Act.

ARTICLE 28

SPONSOR'S/COMMERCIAL OWNERS' RIGHTS

Section 28.1 **Who May Exercise.** The special rights, powers, privileges, exemptions, easements, licenses, indemnities, remedies, protections and other benefits of Sponsor, Unsold Unit Owners and Commercial Unit Owners (collectively "**Sponsor's Rights**" or "**Sponsor's/Commercial Owners' Rights**") in the Plan and the Condominium Documents (as each may be duly amended from time to time), and the limitations, restrictions and requirements thereunder (if any) in connection with such Sponsor's/Commercial Owners' Rights or otherwise applicable to each, shall inure to, benefit, bind and be enforceable by and against: (a) the Sponsor; (b) the Unsold Unit Owners (each such Owner having with regard to all Unsold Units owned by said Unsold Unit Owner all or (only if specified by Sponsor) certain of Sponsor's Rights under the Plan and the Condominium Documents); (c) the Commercial Unit Owners; (d) a Person who is designated by Sponsor or an Unsold Unit Owner in a deed, an Amendment to this Declaration or an instrument executed and acknowledged in recordable form by Sponsor or such Unsold Unit Owner (as applicable) as Sponsor's or such Owner's "**Designee**" having, with regard to the Unsold Unit owned by such Designee, all or (if specified by Sponsor or such Unsold Unit Owner, as applicable) certain of said Sponsor's Rights (each Designee shall have the same right to designate a Person as a Designee); (e) a Person who acquires title to a Sponsor Unit, an Unsold Unit, the Designee's Unit or a Commercial Unit, respectively, by sale or conveyance following a mortgage foreclosure or by deed given in lieu thereof or similar involuntary conveyance of such Unit ("**Involuntary Transferee**"); and (f) a Person who succeeds to the interest in a Unit owned by Sponsor, an Unsold Unit Owner, a Designee or a Commercial Unit Owner by operation of the Law (e.g. by Laws of descent, distribution, inheritance or the like) or by merger, consolidation, liquidation, dissolution or similar succession ("**Successor in Interest**"). Sponsor, an Unsold Unit Owner, a Designee, a Commercial Unit Owner, an Involuntary Transferee and a Successor in Interest of each of the foregoing shall continue to have, and may exercise, such Sponsor's/Commercial Owners' Rights so long as each of the foregoing owns, leases or holds any other estate or interest in the applicable Unit. All of Sponsor's Rights shall inure to, benefit and be enforceable by an Unsold Unit Owner, a Designee, an Involuntary Transferee and a Successor in Interest, with respect to the Unit owned by such Party (unless otherwise expressly provided in the instrument granting or giving such Sponsor's Rights to a Designee as aforesaid). The Sponsor's Rights apply to all Units owned at the time in question by Sponsor, an Unsold Unit Owner, a Designee, an Involuntary Transferee or a Successor in Interest, including Sold Residential Units and Sold Storage Units reacquired by each of the foregoing, whether such reacquisition results from the exercise of a right of rescission, or a right to sell back to such Party or a mortgage foreclosure, or a deed given in lieu of such foreclosure, or otherwise. However, such reacquired Units shall not be regarded as Unsold Units for purposes of determining the expiration of the Sponsor Board Control Period or the Sponsor Veto Control Period.

Section 28.2 **Other Unit Owners.** The Owner of a Unit who is not the Sponsor, an Unsold Unit Owner, a Designee, a Commercial Unit Owner, an Involuntary Transferee or a Successor in Interest of any of the foregoing, shall not have, or benefit from, and may not exercise or enforce, any of such Sponsor's/Commercial Owners' Rights under this Declaration or the By-Laws, unless otherwise expressly provided.

Section 28.3 **Covenants with Land Supplemented.** This Article 28 is in furtherance of, supplements and supersedes any inconsistencies in Section 21.1 above.

ARTICLE 29

INDEMNIFICATION

Section 29.1 **Indemnification Generally.** Whenever a Person ("**Indemnifying Party**") is required under any provision of this Declaration or the By-Laws to indemnify or give any other Person(s) ("**Indemnified Party**") an indemnification, then such Indemnifying Party shall indemnify the Indemnified Party and all past, present and future Related Parties of the Indemnified Party, all agents, employees, attorneys and other consultants of such Indemnified Party, and the respective heirs, distributees, legatees, executors, administrators, legal representatives, successors and assigns (all of the foregoing are collectively, the "**Indemnified Parties**"), to the full extent lawful, from and against all Claims and Liabilities and Expenses that shall be paid or incurred, related to or arising from the indemnified matter, including Costs and Expenses in connection therewith and in connection with the prosecution and collection of the indemnity ("**such Claims**"). Any such indemnification shall be in addition to any liability that such Indemnifying Party may otherwise have.

Section 29.2 **Contribution.** If indemnification were for any reason not to be available with respect to any matter, the Indemnifying Party shall contribute to the settlement of such Claims and Liabilities and Expenses in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party, on the one hand, and the Indemnified Parties, on the other hand, as well as any other relevant equitable considerations.

Section 29.3 **Application.** The provisions of this Article shall be applicable to any indemnity given or required to be given under the provisions of this Declaration or the By-Laws, whether or not expressly so stated in any particular provision giving or requiring such indemnity. Nothing contained in this Article shall be deemed to supersede or circumscribe any express limitation on or express expansion of any indemnity given or required to be given under the provisions of this Declaration or the By-Laws.

Section 29.4 **Notice of Claims or Lawsuit.** Promptly after receipt by the Indemnified Party of notice of any such Claims or the commencement of any Lawsuit covered by the indemnity pursuant to any of the provisions of this Declaration or the By-Laws, the Indemnified Party shall notify the Indemnifying Party in writing of such Claims or the commencement of any Lawsuit and shall with reasonable promptness give the Indemnifying Party copies of the pleadings and other litigation documents in any such Lawsuit, as and when received.

Section 29.5 **Selection of Attorneys and Settlement.** The Indemnifying Party, at such Party's sole Cost or Expense, shall defend the applicable Indemnified Party with counsel reasonably satisfactory to such Indemnified Party, shall keep the Indemnified Party apprised of all legal proceedings and shall be entitled to control and conduct the defense of such Claims (including any Lawsuit), but shall not enter into any compromise or settlement thereof without obtaining the prior written Reasonable Approval or Consent of the Indemnified Party.

Section 29.6 **Cooperation of Indemnified Party.** The Indemnified Party shall cooperate fully and make available to the Indemnifying Party such information and documents under the control or in the possession of the Indemnified Party as are reasonably related to the defense of such Claims (including any Lawsuit).

Section 29.7 **Participation of Indemnified Party.** The Indemnified Party shall have the right, but not the obligation, at such Indemnified Party's sole Cost and Expense, to participate and be represented by separate counsel (chosen by the Indemnified Party) in the defense, compromise and settlement of such Claims or Lawsuit.

Section 29.8 **Allocation of Costs and Expenses.** If the Indemnifying Party is the Condominium Board, then the Costs and Expenses of the Condominium Board in connection with an indemnification shall be allocated to the General Common Expenses or Residential Common Expenses (as appropriate) in accordance with the provisions or (if not expressly provided) purposes and equitable principles of this Declaration or the By-Laws.

ARTICLE 30

MISCELLANEOUS: USAGES AND GRAMMAR

Section 30.1 **Table of Contents and Captions.** The Table of Contents and captions in this Declaration are for convenience and reference only and do not, and shall not be construed to, affect the meaning or interpretation of any provision of this Declaration.

Section 30.2 **References.** The words "Article", "Section", "provision", "paragraph", "clause", "EXHIBIT" or similar words refer to an Article, section, provision, paragraph and clause of this Declaration, or an EXHIBIT attached to this Declaration, unless otherwise expressly stated. Similarly, the words "hereof", "herein", "above", "below" and similar terms mean this Declaration.

Section 30.3 **Grammar.** Any word or term in this Declaration or any of the EXHIBITS to this Declaration that is: used in the singular, shall include the plural and vice versa; or used in any gender shall include any other gender; or used in any tense (past, present or future), shall include any other tense, whenever required by the sense of this Declaration and not contrary to the express context.

Section 30.4 **Notices.** Unless otherwise expressly provided elsewhere in this Declaration or the By-Laws, any request, consent, approval, election, demand, communication or notice (collectively, "**notice**") to be given or made under this Declaration or the By-Laws (including the Rules and Regulations) must be in writing and delivered or sent as provided in Article 20 of the By-Laws, all of whose provisions shall apply to the giving of notices hereunder and are hereby incorporated herein with the same force and effect as though set forth at length.

Section 30.5 **Governing Law.** The internal laws of the State of New York will govern this Declaration (including al Exhibits hereto) and the interpretation and enforcement of its provisions, without regard to legal principles or conflicts of laws.

Section 30.6 **Day.** All references in this Declaration and the Exhibits to "day" shall mean a "calendar day", unless expressly stated to be a business day.

ARTICLE 31

CONTINUING MAINTENANCE PROGRAM

Section 31.1 **Designated Landmark.** The Building has been designated as 130 West 30th Street Building Landmark by Notice of Designation recorded in the Register's Office in

Reel 3448, page 677 and, as a result, is subject to the restricted use as set forth in Section 3020 of the New York City Charter and Title 25, Chapter 3 of the Administration Code of The City of New York.

Section 31.2 **Restrictive Declaration**. The Property is subject to a certain declaration dated June 14, 2002, recorded in the Register's Office in Reel _____, page ____ ("**Restrictive Declaration**") made by 130 West 30th, LLC as Declarant thereunder. The Condominium Board shall have the responsibility to carry out all of the obligations of said Declarant under the Restrictive Declaration and the authority to exercise all of said Declarant's rights under the Restrictive Declaration.

Section 31.3 **Continuing Maintenance Program**. The Condominium Board shall comply with the obligations and restrictions of the "Continuing Maintenance Program," as defined and set forth in the Restrictive Declaration. If the Condominium Board fails or refuses to perform or complete any Work under the Restrictive Declaration in a timely manner and at least ten (10) calendar days before the expiration of any applicable grace period, each Commercial Unit Owner shall have the right (but shall not be obligated) to so do for the account and at the expense of the Condominium Board. Any amounts expended by a Commercial Unit Owner for the account of the Board shall be reimbursed to such Commercial Unit Owner by the Board within five (5) business days after written demand therefor is given to the Board accompanied by a reasonably detailed statement setting forth the amounts and nature of all sums for which reimbursement is sought and copies of all supporting or relevant bills. If full payment of all amounts demanded is not received by such Commercial Unit Owner within ten (10) calendar days after giving such demand notice, then the Condominium Board shall also reimburse said Commercial Unit Owner per diem interest on the amount owed for lost opportunity of earnings on the unpaid amount demanded at the rate equal to the lower of sixteen percent (16%) a year or the highest legal rate (computed from the first day following the ten (10) calendar day period through the date payment is received), together with all Costs and Expenses of collection of the amount owed.

The "Preservation Architect" is to make "Periodic Inspections" and to prepare the "Periodic Report", the "Façade Inspection Report", the Local Law 10/11 façade report and an Emergency Incident Report, as provided in the Restrictive Declaration. All of these reports relate primarily to the Residential Limited Common Elements. Accordingly, the fees and charges of the Preservation Architect to prepare all of these reports shall be included in the Residential Common Expenses and charged to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests. Similarly, the Costs and Expenses of all Work performed pursuant to such reports and the Continuing Maintenance Program shall be included in the Costs and Expenses to Repair the affected portions of the Building (i.e., the Residential Common Expenses, if involving the Building Walls, Roofs or Roof Structures enclosing the Residential Space or other portions of the Residential Limited Common Elements, and/or the General Common Expenses, if involving the mechanical room on the floor 21 mechanical level or the walls, Roof or Roof Structures enclosing such room, or other portions of the General Common Elements, as applicable).

SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE OF DECLARATION OF CONDOMINIUM

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ___ day of _____, 200_.

130 West 30th, LLC
By: H.J. Development, LLC, Managing Member

By:
Signature:_____
Henry J. Justin, as Member

ACKNOWLEDGMENT

STATE OF NEW YORK)

) ss.:

COUNTY OF NEW YORK)

On this _____ day of _____, 200__, before me, the undersigned, a notary public in and for said state, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

EXHIBIT A
TO
DECLARATION OF CONDOMINIUM
ESTABLISHING
130 WEST 30TH STREET CONDOMINIUM

DESCRIPTION OF LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County of New York, City and State of New York, bounded and described as follows:

BEGINNING at a point on the Southerly side of 30th Street, distance 363 feet 7 inches Easterly from the corner formed by the intersection of the Easterly side of 7th Avenue with the said Southerly side of 30th Street;

RUNNING THENCE Southerly parallel with the Easterly side of 7th Avenue, 98 feet 9 inches to the centre line of the block;

THENCE Easterly along said centre line of the block, 82 feet 7 inches to land taken by the City of New York for school purposes;

THENCE Northerly along said land and again parallel with the Easterly side of 7th Avenue, 98 feet 9 inches to the Southerly side of 30th Street;

THENCE Westerly along the Southerly side of 30th Street, 82 feet 7 inches to the point or place of BEGINNING.

Together with all right, title and interest of, in and to any streets and roads abutting the Land, to the center line thereof.

The premises are known as 130 West 30th Street (a/k/a 128-134 West 30th Street), New York, New York.

END OF EXHIBIT A

EXHIBIT B
TO
DECLARATION OF CONDOMINIUM
ESTABLISHING
130 WEST 30TH STREET CONDOMINIUM

DESCRIPTION OF UNITS

Unit Designation	No. of Rooms /Baths (1)	Tax Lot No.	Location (in Portion of Building Facing in the Direction Set Forth Below)	Approximate Floor Area in Square Footage (2)		Unit Total (3)	Approximate Unit Height (in Feet/ Inches(4)	Common Elements to Which Unit Has Immediate Access	Percentage of Common Interest (5)
				Unit (Indoor Area)	Terrace or Yard				
Residential Units									
Subtotals:									
Storage Units									
Subtotals:									
Commercial Units:									
Commercial Unit 1:									
Cellar:									
Floor 1:									
Floor 1 Mezzanine:									
Commercial Unit 2:									
Cellar:									
Floor 1:									
Floor 1 Mezzanine:									
Commercial Unit 3:									
Commercial Unit 4:									
Subtotals:									
Totals:									

TO BE COMPLETED PRIOR TO RECORDING

FOOTNOTES TO EXHIBIT B

DESCRIPTION OF UNITS

1. Number of Residential Rooms and Baths

1.1 Room Count. The room count is based on partitioned areas in each Residential Unit as of the date of the Declaration. A bedroom, living room, dining area (if self-contained), den, home office, library, breakfast nook (if self-contained) and self-contained kitchen are each counted as one (1) room.

2. Floor Area of Unit.

2.1 Unit Boundaries. The approximate indoor floor area of each Unit has been measured from the exterior side of the Building Walls or glass windows at the Building line and/or Property line enclosing the Unit, or from the midpoint of the interior Party Walls separating the Unit from another Unit, or from the public side of the interior Party Walls separating the Unit from public corridors or public stairs, or from the mechanical space side of interior Party Walls and partitions separating the Unit from an elevator or other mechanical Equipment space or any other Common Elements. Columns and mechanical pipes and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit. The outdoor floor area of a Terrace or Planting Terrace or rear yard (as applicable) appurtenant to a Unit is not included in the Unit's indoor floor area.

2.2 Inclusion of Common Elements. The floor area occupied by any Common Elements bordering or within a Unit (such as the Building Walls, vents, chase walls or areas, conduits, ducts, shafts or pipes) have been included in the computation of the floor area of the Unit, but such Common Elements are not part of the Unit.

2.3 Allowance. All floor areas used in the calculations of Common Interests are approximations within a tolerance of about 5%.

2.4 Based on Full (Actual) Square Footage. The approximate floor areas shown in the "Unit" and "Terrace" or "Yard" columns equal the full (actual) square footages of the Unit and Terrace (or Planting Terrace) or Yard, respectively.

2.5 Terrace or Yard. The Terrace in this EXHIBIT B includes a Planting Terrace. The Terrace or Planting Terrace appurtenant to a Residential Unit is part of such Unit. The portion of the rear yard immediately adjacent to a Commercial Unit is part of such Unit.

3. Unit Total.

3.1 Based on Full (Actual) Square Footage. The approximate floor area shown in the "Unit Total" column equals the full (actual) square footage of the Unit and its appurtenant Terrace, Planting Terrace or rear yard (if and as applicable), which are included in, and part of, such Unit.

4. Unit Height. The height of each Unit consists of the volume space measured vertically from the top of the Base Floor below (located under the finished flooring and sub-flooring

materials) to the underside of the Base Ceiling above (located above the finished ceiling material). Ceiling heights on each floor vary and do not reflect dropped ceilings in certain areas to accommodate ducts or Equipment. The height shown is approximate and is measured from below the flooring installed over the Base Floors.

5. Common Interest. The Common Interest of each Unit 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 Section 339-i(1)(iv) of the Condominium Act.

END OF EXHIBIT B

EXHIBIT C TO DECLARATION OF CONDOMINIUM

ESTABLISHING

130 WEST 30TH STREET CONDOMINIUM

GLOSSARY

The words frequently used in the Declaration and the EXHIBITS thereto (whether uppercase or lowercase) are defined below in this EXHIBIT C. Unless the context otherwise requires, words used in the singular include the plural, and vice versa, and a reference to any one gender (masculine, feminine or neuter) includes the other two.

"Additional Utility Easements/Rights": As defined in Article 11, Section 11.11 of the Declaration.

"Agents, Employees and Contractors": This term includes all agents, employees, contractors, subcontractors, and their respective employees and workers.

"All Repair Work": All Maintenance and Repairs, whether structural or non-structural, or extraordinary or ordinary.

"Allocation Change": As defined in Article 9, Section 9.5 of the Declaration.

"Allocation/Apportionment Change": As defined in Article 9, Section 9.6 of the Declaration.

"Apportionment Change": As defined in Article 9, Section 9.5 of the Declaration.

"Alter", "Alters", "Alterations" and other derivations thereof: All alterations, additions, improvements, installations, demolitions, removals or replacements, whether structural or non-structural, or extraordinary or ordinary.

"amend", "amended", "Amendment" and variations thereof: An amendment to the Plan accepted and filed by the New York State Department of Law or to any of the Condominium Documents (as indicated by the text), including any modification, addition, deletion, repeal or other change to a provision thereof.

"approval": Unless otherwise expressly provided, the approval to be obtained is Discretionary Approval.

"Association's General Properties": As defined in Article of Section 7.4 of the Declaration.

"Association's Properties": As defined in Article of Section 7.4 of the Declaration.

"Association's Residential Properties": As defined in Article of Section 7.4 of the Declaration.

"Authorized First Sold Unit Owner" or **"Authorized First Sold Residential Unit Owner"**: The first Owner of a Sold Unit, including a Sold Residential Unit, who is expressly granted the right in writing by Sponsor or an Unsold Unit Owner (whoever is the grantor of the deed conveying the Sold Unit) to make a Unit Change.

"Base Ceiling": The concrete slab, metal decking, woodjoists or other construction material above the plaster, sheetrock or other finish covering a ceiling. The Base Ceiling borders the top of a Unit or Common Element and constitutes one of the Structural Components of the Building. The Base Ceiling of a Unit is also the Base Floor of the Unit (if any) immediately above such Unit.

"Base Floor": The concrete slab, metal decking, woodjoists or other construction material below the wood, vinyl, tile, carpet or other finish covering a floor, together with any underflooring. The Base Floor borders the bottom of a Unit or Common Element and constitutes one of the Structural Components of the Building. The Base Floor of a Unit is also the Base Ceiling of the Unit (if any) immediately below such Unit.

"Board": The Board of Managers of the Condominium.

"Board Alterations": As defined in Article 14, Section 14.5.2 of the Declaration.

"Board Member": A member of the Condominium Board, including a Residential Board Member or a Commercial Board Member.

"Budget" or **"Budget of Condominium Operation"**: The Budget of Projected Receipts and Expenses of Condominium Operation of the Property for a Budget Year, which includes both the Budget of General Operation and Budget of Residential Operation, as determined and adopted in accordance with Article 9 of the Declaration.

"Budget Guidelines": The "Guidelines for Budget of General Operation" annexed as EXHIBIT F to the Declaration.

"Budget of General Operation": As defined in Article 9, Section 9.2 of the Declaration.

"Budget of Residential Operation": As defined in Article 9, Section 9.2 of the Declaration.

"Budget Year": A Budget for the twelve (12) month period (fiscal or calendar) determined and adopted by the applicable Board Members.

"Building": The building known by the street addresses of 130 West 30th Street (a/k/a 128-134 West 30th Street) New York, New York 10001.

"Building's Maintenance Standard": To keep a Unit, including its Terrace or Planting Terrace or rear yard (if and as applicable), or the Common Elements (as applicable) in good and proper working order, free of water leaks and undue air penetration, and otherwise in clean and sanitary condition. To keep all windows, skylights, storefronts, Unit entrances, Terrace, Planting Terrace, rear yard, Roofs and other areas of a Unit or the Common Elements exposed to public view, and the Immediately Adjacent Sidewalks to the Property, in clean, neat and good appearance and first class condition in accordance with the high quality, character and dignity of the Building. To keep each Terrace, Planting Terrace, rear yard and Roof, and their respective drainage Systems and all outdoor areas, including the Immediately Adjacent Sidewalks to the Property, free and clear of snow, ice, water accumulation and debris.

"Building Walls": As defined in Article 6, Section 6.5 of the Declaration.

"business day": Any day of the year that is not a Saturday, Sunday or a legal holiday of the State of New York or United States government.

"business hours": Between the hours of 9:00 a.m. and 5:30 p.m.

"By-Laws": The By-Laws of the Condominium set forth as EXHIBIT D to the Declaration, as such By-Laws or a provision thereof may be amended from time to time in accordance with its provisions. The By-Laws provide for (among other matters) the administration and governance of the Condominium, the Operation and uses of the Property and Units and the rights and obligations of the Condominium Board and the Unit Owners.

"calendar day": Any day that is not a business day.

"Claims": All claims, disputes, controversies, rights, causes for Lawsuits and Lawsuits.

"Commercial Board Member": The member of the Condominium Board appointed and designated exclusively by a Commercial Unit Owner to represent such Owner's interests on the Condominium Board.

"Commercial Equipment": As defined in Article 6, Section 6.9 of the Declaration.

"Commercial Limited Common Elements": As defined in Article 7, Section 7.1 of the Declaration.

"Commercial Unit": A portion of the commercial space in the Building constituting one of the Condominium Units established under, and designated as such in EXHIBIT B to, the Declaration and on the Floor Plans, together with the Common Interest of such Unit. The location of each Commercial Unit is more precisely shown on the Floor Plans and referred to in said EXHIBIT B. Each Commercial Unit includes all Systems or portions thereof, wherever located, that are for the exclusive use, service or benefit of the Commercial Unit or its Owner and are not expressly stated in the Declaration to be part of the Common Elements or another Unit.

"Commercial Unit Owner": The Owner of a Commercial Unit.

"Commercial Vault" or **"Commercial Vault #1"**: Vault #1, which is for the exclusive use of Commercial Unit 1.

"Common Charges": As defined in Article 9, Section 9.1.5 of the Declaration.

"Common Elements": As defined in Article 7, Section 7.1 of the Declaration.

"Common Expenses": As defined in Article 9, Section 9.1.1 of the Declaration.

"Common Interest": As defined in Article 7, Section 7.1 of the Declaration.

"Common Profits": As defined in Article 9, Section 9.1 of the Declaration.

"Communications Equipment and Other Installations": All antennae, satellite dishes and other communication devices and related Equipment (including fiber optic cable and other communication lines, wires, cables and conduits), plus any and all other new and/or additional Equipment and Installations that service or benefit Residential and Storage Units and/or the Commercial Units and/or the general public.

"Condominium": The condominium known as 130 WEST 30TH STREET CONDOMINIUM, which is the subject of the Declaration to which this Glossary is attached and is being established on the Property by the filing and recording of the Condominium Documents. This term refers to the Property being submitted to the provisions of the Condominium Act.

"Condominium Act": Article 9-B of the Real Property Law of the State of New York.

"Condominium Board" or **"Board"**: The Board of Managers of the Condominium, which is the body that governs the affairs of the Condominium and the Operation of the Common Elements. The Condominium Board comprises the Residential Board Members and the Commercial Board Members.

"Condominium Documents": The Declaration, including the Exhibits thereto (such as the By-Laws and Rules and Regulations), and Floor Plans of the Condominium, as each may be amended from time-to-time.

"consent": Unless otherwise expressly provided, the consent to be obtained is Discretionary Consent.

"Costs and Expenses" or **"Costs or Expenses"** or similar words: All losses, damages (whether actual, consequential, incidental, special, indirect or otherwise), liabilities, costs, expenses and amounts (including reasonable legal fees and disbursements, court costs and all other litigation expenses) paid, payable or incurred in connection with any Claim or to perform, observe, enforce, uphold, protect, defend, maintain and collect sums payable under a right, remedy, obligation, requirement, agreement or indemnity given in or pursuant to the Condominium Documents or an Amendment thereto or the Plan. Costs and Expenses also include (where appropriate) all costs and expenses: (a) to Operate and make any Disposition of the Common Elements and the Association's Properties, including interest and principal payments under a loan; (b) to conduct the affairs of the entire Property, the Association's Properties and the Condominium Association generally or only the Residential Space or the Association's Residential Properties (as applicable); and (c) to provide services to all Unit Owners or to only the Residential and Storage Unit Owners (as applicable).

"days": All references in the Declaration and By-Laws to "days" shall mean calendar days, unless expressly stated to be business days.

"Declarant": 130 West 30th, LLC, the Declarant of the Declaration and the offeror of the Residential and Storage Units under the Plan.

"Declaration": The instrument executed by Sponsor (Declarant) and recorded in the Register's Office, which submits the Property to the Condominium Act.

"Decorate," "Decorations" and derivations thereof: All painting, ornaments, furnishings, furniture, fixtures, embellishments and decorations of any kind, including: all manner of flooring (wood, tiles of any composition, carpeting, rugs and other floor coverings); all manner of wall coverings (paper, fabric, wood, glass and other materials); all manner of baseboards and moldings; all manner of lighting fixtures and chandeliers and related switch plates and electrical outlets; all manner of doorknobs, hinges and other hardware; and all manner of plants, flowers and landscaping.

"Department of Law": The Department of Law of the State of New York.

"Description Change": As defined in Article 13, Section 13.1 of the Declaration.

"Designee": As defined in Article 28, Section 28.1 of the Declaration.

"Discretionary Consent" or **"Discretionary Approval"** or **"Discretionary Consent or Approval"** or similar words: The consent or approval to be obtained is discretionary and may be conditioned, delayed, withheld or denied, without cause or explanation, in the sole and absolute judgment of the Party whose consent or approval is sought or required to be given, without recourse against such Party in the event consent or approval is conditioned, delayed, withheld or denied.

"Disposition": To own, hold, lease, sublease, rent, grant easements or concessions, license, mortgage, grant security interests, collateralize, assign, transfer, sell, convey, market, advertise, Promote, offer, administer, Operate, improve, combine, subdivide, expand, contract and to otherwise transact any matter with respect to, and to make any other disposition of, real or personal property allowed by Law, whether or not similar to the foregoing (but not to cast the votes appurtenant to any Unit owned by the Condominium Board or its nominee or designee).

"duties": All duties, obligations, burdens, responsibilities, requirements and services.

"elect", **"elected"**, **"election"** and similar words and derivations: In the case of the election of the Condominium Board: the Independent Board Members shall be elected by nomination and voting exclusively by all Sold and Unsold Residential and Storage Unit Owners; the Sponsor Board Members shall be elected by appointment and designation in writing exclusively by Sponsor or (after Sponsor no longer owns any Unsold Residential Unit) other Unsold Residential and Storage Unit Owners; and each Commercial Board Member shall be elected by appointment and designation in writing exclusively by the Owner of Commercial Unit 1 or 2 (including Sponsor while it owns such Commercial Units).

"Entity": A partnership, limited liability partnership or company, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government, embassy, consulate, Governmental Authority or any other entity legally competent to own real property.

"Equipment": All machinery, tools, apparatus, devices and implements comprising part of a Common Element or Unit (as applicable), now or hereafter, whether mechanical, electrical, electronic, plumbing or otherwise, including: boilers, converters, radiator, heaters, blowers, exchanges and related equipment forming part of a heating system; motors; pumps; water and electric meters, electrical panels, circuit breakers, transformers, switches and related equipment forming part of an electrical system; elevator (including cab, cables, electronics, motor, air conditioner, pit, shaft and related equipment forming part of an elevator system); air-conditioners (including cooling tower, all chillers, condensers, compressors, fan coil units and related equipment forming part of an air conditioning system); fans; telephones and related equipment forming part of a telephone system; intercom (including all equipment forming part of an intercom system); cameras, monitors and related equipment forming part of a security system); televisions, antennae and related equipment forming part of a television system (cable or wireless); appliances (including washers, dryers, refrigerators, ranges and ovens); sinks; toilets; fire alarms; smoke detectors; tanks and tank assemblies; sprinkler heads and alarms and related equipment forming part of a sprinkler system; bells; thermostats; thermometers; vents; sensors; valves; panels; receptacles; outlets; wiring; siamese connections; hoses, electrical, lighting, plumbing and other fixtures and bulbs; Signs; pipes; lines; ducts; conduits;

cables; risers; mains; shafts; pits, flues; chases; hardware; locks; screens, strainers; traps; drains; catch basins; leaders; filters; incinerators; compactors; canopies; closets; cabinets; doors; railings; metal stairs; furniture; mirrors; furnishings; appurtenances; urns, baskets, mail chutes; mail boxes; carpeting; tiles; floor coverings; draperies; shades; window coverings; wallpaper; wall coverings; trees; shrubbery; flowers; plants; horticultural tubs; horticultural boxes; equipment used for cleaning halls, floors, carpets, walls and other areas (whether indoor or outdoor) including for snow removal; and all other equipment forming a part of a system of the Building.

"Exempt Transaction": As defined in Article 16, Section 16.2, subsection 16.2.1 of the By-Laws.

"Existing Lease": A lease demising space in the Building in effect on the date the Declaration is recorded in the Register's Office so long as same shall remain in effect, including all extensions or renewals thereof in accordance with any option or other provision thereof, but excluding any other extensions or renewals thereof and all Amendments thereto thereafter made.

"Existing Tenant": A tenant under an Existing Lease at the date of recording the Declaration.

"Facilities": All fixtures and personal property not otherwise comprising the Equipment, now or hereafter existing in, on, or under the Land or Building and for the use, service or benefit of one (1) or more Units or Unit Owner(s) or forming a part of the Common Elements, or necessary or desirable for the existence, Maintenance, life, health or safety of the Property or any portion thereof or the Owners or occupants of one (1) or more Units.

"family", **"family member"**, **"immediate family"** or similar words: A spouse, child (whether by blood, marriage or adoption), parent (including a step parent or parent-in-law), grandparent and sibling.

"First Closing": The first Residential Unit conveyed to a bona fide Purchaser under the Plan.

"First Year's Budget": The projection of receipts and expenses of the Property for the first twelve (12) months following the projected date of First Closing of a Residential Unit under the Plan, which is set forth as SCHEDULE B in Section F of Part I of the Plan.

"Floor Plans": The floor plans of the Building (showing, among other things, the layout, location and approximate dimensions of the Units as built) certified by a registered architect or licensed professional engineer and filed with the Real Property Assessment Department for the Borough of Manhattan, in the City and State of New York and in the Register's Office contemporaneously with the recording of the Declaration.

"Force Majeure": Acts of nature (such as flood, earthquake or severe or unusually inclement weather), explosion, fire, strikes, work stoppage or slowdown, unavailability of materials supplies, war, emergencies, national defense preemptions, governmental restrictions or actions, injunctions or court orders, or any other cause or event beyond the reasonable control of Sponsor, the Condominium Board or other Person in question (as applicable) and not attributable to the improper or bad faith acts or omissions of such Person.

"Foreign Entity": Any organization that is not formed or organized under the Laws of the State of New York or is not an instrumentality of the State of New York or any county, municipality, village or other Governmental Authority of the State of New York.

"Freely and Without Consent, Payment or Restriction": This term means and includes, unless otherwise expressly provided: (a) without consent or approval of the Condominium Board or other Unit Owners or mortgagees of Units; (b) without paying any kind of fee, rental, charge, imposition or other sum to the Condominium Board or its Managing Agent, attorneys, architects, engineers or other professionals or consultants, or to Unit Owners; and (c) without complying with any kind of work rule, restriction, requirement or limitation, other than the requirement to comply with applicable Laws, the applicable Work Requirements set forth in Article 15, Section 15.2 of the Declaration, the restriction against Prohibited Uses and any other expressly stated restriction, requirement or limitation.

"GBL": Article 23-A of the General Business Law of the State of New York.

"General Common Charges": As defined in Article 9, Section 9.1.5 of the Declaration.

"General Common Elements": As defined in Article 7, Section 7.1 of the Declaration.

"General Common Expenses": As defined in Article 9, Section 9.1 of the Declaration.

"General Legal Matters": As defined in Article 9, Section 9.1.3 of the Declaration.

"General Vault" or **"General Vault #2":** Vault #2, which houses General Common Elements serving all Unit Owners.

"Governmental Authorities": All authorities, agencies, departments, assessors, boards, bodies court and other instrumentalities of federal, state, county, municipal, village, local, foreign, international, regional, domestic and other governmental and quasi-governmental authorities having jurisdiction.

"Government Documents": All notices, reports, registrations, applications, petitions, declarations, easements, licenses, forms, items, papers and other documents to be filed with, or given or submitted to, a Governmental Authority, including any Government Document that is required to be signed by the Condominium Board on behalf and as agent of the Unit Owners in connection with any permit, approval, consent, waiver, exemption, variance or license, building notice, alteration, application or other form of legally required permission to or from a Governmental Authority (including a permit that is necessary to perform Work on any part of the Property), including: (a) a notice, report, registration or other information to be filed with a Governmental Authority relative to a Unit, or an Owner, tenant or occupant of such Unit; (b) any proposed Unit Change to a Unit in accordance with the Declaration; (c) an application, petition or other document required for a zoning variance or an amended or new Certificate of Occupancy for the Building or an Alteration permit related to such Unit Change of a Unit or an obligation undertaken in the Plan, a Plan Amendment or a Purchase and Sale Agreement for an Unsold Residential and/or Storage Unit; (d) any Signs permitted to be installed, Altered or replaced pursuant to the Declaration or the By-Laws; or (e) an application, petition or other document required to increase the rent of an Unsold Residential Unit or to obtain a real estate tax or other tax exemption, abatement or benefit for a Unit.

"household": As defined in Article 10, Section 10.13 of the Declaration.

"HVAC": Heating, ventilating and air conditioning.

"HVAC/Mechanical/Utility Building Systems": All Building Systems, including: HVAC; hot and cold water; storm drainage; refuse; waste; fire protection (e.g., sprinkler, sprinkler alarm, hoses, standpipe, siamese connection and related Installations); utilities (e.g., electric, gas, telephone, cable, television and telecommunications); intercom; and security cameras, monitors and other devices.

"immediate family": See "family".

"Immediately Adjacent Sidewalks": As defined in Article 10, Section 10.1 of the Declaration.

"include", "includes", "including", "such as", "for example" and similar words and derivations: Wherever these words precede a list of one or more items, the list is not be limited to the item(s) mentioned and shall always be construed as though followed by the words "but not limited to".

"indemnify": Whenever this term is used, it shall include to defend and hold harmless and shall apply to all Related Parties of the Party being indemnified and the respective heirs, distributees, legatees, executors, administrators, legal representatives, successors and assigns of such Indemnified Party and Related Parties.

"Independent Board Members": The members of the Condominium Board who have no family, employment or business relationship or affiliation with Sponsor, an Unsold Unit Owner or a Related Party to Sponsor or an Unsold Unit Owner. Generally, the Independent Board Members are the Owners, occupants or tenants of Sold Residential Units or their respective family members or Related Parties.

"individual": A natural person.

"Individual Commercial Limited Common Element": As defined in Article 7, Section 7.1 of the Declaration.

"Individual Limited Common Element": As defined in Article 7, Section 7.1 of the Declaration.

"Individual Residential Limited Common Element": As defined in Article 7, Section 7.1 of the Declaration.

"Installation Requirements": As defined in Article 10, Section 10.4 of the Declaration.

"Installations": All Equipment, Facilities, structures, Systems and materials now or hereafter existing in, on, under or adjacent to the Land or Building and for the use, service or benefit of one (1) or more Units or Unit Owner(s) or forming a part of the Common Elements, or necessary or desirable for the Use and Enjoyment of the Property or any portion thereof or the Owners or occupants of one (1) or more Units.

"Institutional Lender": A savings bank; savings and loan association; bank or trust company; credit union; insurance company; real estate investment trust; mortgage trust; or a federal, state, municipal, union or other employee, welfare, pension or retirement fund or system.

"Institutional Mortgage": Any mortgage covering one (1) or more Units that is a Permitted Mortgage and the initial holder of which is either an Unsold Unit Owner (including Sponsor) or its designee or an Institutional Lender.

"Insurance Trustee": An Institutional Lender having both an office in the City and State of New York and a capital surplus and undivided profits of $100,000,000 or more, from time-to-time appointed to serve as such by the Condominium Board.

"Involuntary Transferee": As defined in Article 28, Section 28.1 of the Declaration.

"Land": The parcel of land on which the Building is located and more particularly identified in EXHIBIT A to the Declaration. The portions of the land occupied by the Units are included in, and are part of, the Units and all other portions of the land are included in, and part of, the Common Elements. The Land includes, and is subject to, all easements, agreements, covenants, restrictions, rights, privileges, benefits, encumbrances, burdens and other matters of record appurtenant thereto.

"Laws": All laws and ordinances of federal, state, city and other local Governmental Authorities and all applicable regulations, codes, rules, orders, permits, directives and requirements of Governmental Authorities having jurisdiction over the Property or the Condominium Association.

"Lawsuits": All suits, litigation, controversies and disputes, whether legal or equitable, brought in or before any court or judicial system (federal, state, local or international), governmental or administrative authority, arbitration or mediation association or alternative dispute resolution body.

"Legal Expenses": As defined in Section 9.1.3 of the Declaration.

"Liabilities and Expenses": All liabilities, judgments, awards, losses, damages (whether actual, consequential, incidental, special, indirect or otherwise), penalties, fines and Costs and Expenses.

"Limited Common Elements": As defined in Article 7, Section 7.1 of the Declaration.

"Litigation Document": Any pleading, affidavit, petition, application, motion, interrogatory or other document utilized in connection with any litigation, including any litigation required to be brought or defended in the name of the Condominium Board or in the name of the Condominium Board as agent and on behalf of the Unit Owners, such as litigation instituted or defended at the request of Sponsor or an Unsold Unit Owner relative to: (a) any Government Document or any matter which is the subject of a Government Document; or (b) any of Sponsor's Rights or the rights, powers, easements, licenses, privileges, exemptions, indemnities, remedies and other benefits of Sponsor, an Unsold Unit Owner or a Commercial Unit Owner under the Plan, a Plan Amendment or the Condominium Documents.

"Maintain, Maintenance" and similar words: To inspect, test, paint and keep a Unit or the Common Elements (as applicable) in accordance and compliance with the Building's Maintenance Standard.

"majority of Board Members" or **"majority of Commercial Board Members"** or **"majority of Residential Board Members"**: More than fifty percent (50%) of the Board Members or specified Board Members, or more than 50% of the Board Members or specified Board Members attending a duly constituted Board meeting at which a quorum is present, as may be specified or indicated by the text.

"majority in Common Interest of Unit Owners" or **"majority in Common Interest of Residential and Storage Unit Owners"** or words of similar import or other specified

percentage: Owners of more than fifty percent (50%) (or other specified percentage) in aggregate absolute Common Interests appurtenant to all Units or all Residential and Storage Units (as applicable) or Owners of more than fifty percent (50%) (or other specified percentage) in aggregate absolute Common Interests of only those Unit Owners or those Residential and Storage Unit Owners (as applicable) who are present, in person or by proxy, and voting at a duly constituted meeting of Unit Owners at which a quorum is present, as applicable or indicated. All references herein to "Units" shall exclude any Unit while such Unit is owned by the Condominium Board or its nominee or designee and all references to "Unit Owners" shall exclude the Condominium Board or its nominee or designee as Owner of any Unit for quorum and voting purposes. An Owner of more than one (1) Unit shall be counted as a separate Owner for each such Unit for quorum and voting purposes. A Unit owned by two (2) or more Persons shall be counted as one (1) Unit Owner for quorum and voting purposes.

"majority in number of Unit Owners" or **"majority in number of Residential and Storage Unit Owners"** or words of similar Import or other specified percentage: Owners of more than fifty percent (50%) (or other specified percentage) in aggregate absolute number of all Units or all Residential and Storage Unit (as applicable) or Owners of more than fifty percent (50%) (or other specified percentage) in aggregate number of only those Unit Owners or those Residential and Storage Unit Owners (as applicable) who are present, in person or by proxy, and voting at a duly constituted meeting of Unit Owners at which a quorum is present, as applicable or indicated. All references herein to "Units" shall exclude any Unit while such Unit is owned by the Condominium Board or its nominee or designee and all references to "Unit Owners" shall exclude the Condominium Board or its nominee or designee as Owner of a Unit for quorum and voting purposes. An Owner of more than one (1) Unit shall be counted as a separate Owner for each such Unit for quorum and voting purposes. A Unit owned by two (2) or more Persons shall be counted as one (1) Unit Owner for quorum and voting purposes.

"Managing Agent": The Person engaged from time-to-time by the Condominium Board to perform the duties of a managing agent of the Building.

"Match Offer Right": As defined in Article 16, Section 16.2, subsection 16.2.8 of the By-Laws. Same as Right of First Refusal.

"Mortgage Representatives": The representatives of the holders of all mortgages encumbering Units, designated by the holders of Institutional Mortgages in accordance with the terms of the By-Laws.

"Net Award Trust Funds": As defined in Article 18, Section 18.3, subsection 18.3.4 of the By-Laws.

"Occupancy Requirements": As defined in Article 10, Section 10.13 of the Declaration.

"130 West 30th Street Public Areas": As defined in Article 7, Section 7.3 of the Declaration.

"Operate", **"Operates"**, **"Operation"** or derivations thereof: To Maintain, Repair, Alter and otherwise use, operate, manage and conduct the business and affairs of: (a) the Condominium Association, (b) the Residential Space, or (c) the Association's Residential Properties, or (d) the General Common Elements, or (e) the Association's General Properties, or (f) the entire Property, or (g) a Unit (Residential, Storage or Commercial), as the context requires, or as otherwise indicated by the text.

"Owner": The legal (record) owner of fee simple title of a Unit, including (as indicated, or otherwise expressly provided, by the text): (a) a Unit Owner; (b) a Residential Unit Owner; (c) a Storage Unit Owner; or (d) a Commercial Unit Owner. An Owner of more than one (1) Unit shall be counted as a separate Owner for each such Unit for quorum and voting purposes. A Unit owned by two (2) or more Persons shall be counted as one (1) Unit Owner for quorum and voting purposes.

"Party": A Unit Owner, the Condominium Board (including a Commercial or Residential Board Member), a Permitted Mortgagee, a Registered Tenant and an Insurance Trustee are each a party.

"Party Wall": As defined in Article 6, Section 6.5 of the Declaration.

"Permitted First Mortgage": A first mortgage placed on a Unit in compliance with the By-Laws.

"Permitted First Mortgagee": The holder of a Permitted First Mortgage.

"Permitted Mortgage": A mortgage placed on a Unit in compliance with the By-Laws.

"Permitted Mortgagee": The holder of a Permitted Mortgage.

"Permitted Tenants/Occupants/Invitees": The tenants, occupants, invitees, licensees, contractors, subcontractors, agents, employees and workers permitted or authorized to occupy, use, visit or enter a Unit by the Owner of such Unit or pursuant to Law or the Condominium Documents.

"Person": A natural person (i.e., an individual) or an Entity.

"Plan": The Condominium Offering Plan for the Property and all Amendments thereto accepted for filing by the Department of Law prior to the First Closing of a Residential Unit under such Offering Plan.

"Plan Obligations": As defined in Article 12, Section 12.7 of the Declaration.

"Plan and Specifications": Sponsor's plans and specifications for the rehabilitation, renovation, equipping and outfitting of the Building and adjacent areas (including the Common Elements and the Units), which (to the extent required by Law) have been filed with the Department of Buildings of The City of New York, as same may have been amended, and as same may hereafter be amended from time to time in accordance with the provisions of the Plan.

"Planting Terrace": An ornamental Terrace, which only a decorative element of the Building Walls and is not designed or intended for use as a Terrace to be walked upon.

"powers": All powers, rights, authorities, remedies, protections and benefits.

"Prohibited Uses": As defined in Article 10, Section 10.2 of the Declaration.

"Promote", **"Promotion"** or derivations thereof: All manner of offering, advertising, marketing, Signage, displays and other promotion and promotional activities in connection with the sale, rental or Operation of a Unit or a business conducted in a Unit.

"Property": As defined in Article 2, Section 2.1 of the Declaration.

"Pro Rata": In the proportion that the Common Interest or floor area or asking price or Common Charge of a Unit bears to the total Common Interests or the total floor areas or total offering prices or total Common Charges of all specified Units (respectively), or that the Common Interest or floor area or offering price or Common Charge of a Residential or Storage Unit bears to the total Common Interests or total floor areas or total offering prices or Common Charges of all Residential and Storage Units (respectively), or otherwise, as may be specified or indicated by the text. For example, the Residential Common Expenses are payable by only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests. This means that each Residential and Storage Unit Owner shall pay that portion of the Residential Common Expenses as the Common Interest appurtenant to such Owner's Residential or Storage Unit bears to the total Common Interests appurtenant to all Residential and Storage Units.

"Purchase and Sale Agreement": The agreement between Sponsor and a Purchaser for the purchase and sale of a Unit in the form set forth as DOCUMENT 1 in Part II of the Plan.

"Purchaser": A Person or Persons buying a Residential and/or Storage Unit under a fully executed Purchase and Sale Agreement with Sponsor pursuant to the Plan, whether for personal occupancy or use of the Purchaser or a member of Purchaser's family or for rental or other investment purposes.

"Reasonable Approval" or **"Reasonably Approved"** or similar words: The approval required to be obtained shall not be unreasonably conditioned, withheld, denied or delayed.

"Registered Mortgage": As defined in Article 16, Section 16.13 of the By-Laws.

"Register's Office": The office of the Register of the County of New York, in the City and State of New York.

"Related Party": An individual who has or had an employment, business or family relationship to a Unit Owner or an Entity comprising a Unit Owner or a partner, member, manager, shareholder, officer, director or principal of a Unit Owner or an Entity comprising a Unit Owner; or an Entity whose legal, equity or beneficial interest is owned (directly or indirectly) by a Unit Owner or an Entity comprising a Unit Owner or a partner, member, manager, shareholder, officer, director or principal of a Unit Owner or an Entity comprising a Unit Owner.

"Repair", **"Repaired"**, **"Repairs"** or derivations thereof: To repair, fix, correct, rebuild, restore, replace, substitute, remove and to perform any other Work, apart from Maintenance or Alterations, in or to a Unit or the Common Elements.

"Residential Board Members": The members of the Condominium Board who are elected by the Owners of Residential and Storage Units (including the Owners of Unsold Residential and Storage Units, regardless of whether such Owners are Sponsor and/or other Persons) to serve as Residential Board Members and represent the interests of all Sold and Unsold Residential and Storage Unit Owners on the Condominium Board. The Residential Board Members consist of a specified number of Independent Board Members and (while there is any Unsold Residential Unit) a specified number Sponsor Board Members as provided in the By-Laws.

"Residential Common Charges": As defined in Article 9, Section 9.1.5 of the Declaration.

"Residential Common Expenses": As defined in Article 9, Section 9.1.4 of the Declaration.

"Residential Equipment": As defined in Article 6, Section 6.11 of the Declaration.

"Residential Legal Matters": As defined in Article 9, Section 9.1.4 of the Declaration.

"Residential Limited Common Elements": As defined in Article 7, Section 7.1 of the Declaration.

"Residential Space": All of the Residential Units, the Storage Units, the Residential Limited Common Elements and (if established) the Individual Residential Limited Common Elements.

"Residential Unit": The portion of the Residential Space in the Building comprising one (1) of the Residential Units (including a Sold Residential Unit and an Unsold Residential Unit, unless the context expressly provides otherwise) and constituting one of the Condominium Units established under, and so designated as such in EXHIBIT B to, the Declaration and on the Floor Plans, together with the Common Interest appurtenant to such Unit. The location of each Residential Unit is more precisely shown on the Floor Plans and referred to in said Exhibit B. Each Residential Unit includes the Terrace (if any) appurtenant to the Unit together with all Equipment and Installations that are for the exclusive use, service or benefit of such Unit or its Owner and are not expressly stated in the Declaration to be part of the Common Elements or another Unit.

"Residential Unit Owner": The Owner of a Residential Unit.

"Restrictive Declaration": As defined in Article 31, Section 31.2 of the Declaration.

"Responsible Party": As defined in Article 15, Section 15.2(d) of the Declaration.

"Right of First Refusal": As defined in Article 16, Section 16.2, subsection 16.2.8 of the By-Laws. Same as Match Offer Right.

"Roof": A roof consists of the following (if and to the extent existing): the structural concrete slab, steel deck or other construction material; the asphalt or other roofing material thereover; the insulation; the membrane; the flashing; and similar elements protecting the interior portion of the Building. The term Roof does not include the pavers, tiles or other protective flooring or covering on a Roof, which constitutes the Terrace or Planting Terrace appurtenant to, and part of, a specified Residential Unit. The term "Roof" includes all Roof Structures appurtenant to a Roof, unless otherwise expressly provided. The main roof above the top floor of the Building, each roof at a set back portion of the Building, each roof above a Unit, or a portion of a Unit or a bulkhead are each included in the term Roof.

"Roof Structures": The drainage System of a Roof (including, drains, gutters, leaders and similar elements), the parapets, the copings, the railings, the walls and all other structures enclosing a Roof, and the bulkhead enclosing the public stairs, an elevator machine room or a mechanical room.

"Rules and Regulations": As defined in Article 14, Section 14.5 of the By-Laws.

"Section 339-m": Section 339-m of the Condominium Act.

"Sidewalk Cleaning Obligations": The obligations imposed by Law to keep the Immediately Adjacent Sidewalks to the Property clean and free of snow, ice, water accumulation and debris.

"Sidewalk Repair Obligations": The obligations imposed by Law to keep the Immediately Adjacent Sidewalks to the Property properly Maintained and Repaired.

"Sidewalk Structure": As defined in Article 15, Section 15.2(m) of the Declaration.

"Sign", **"Signs"** or **"Signage"** or similar words: Each or every kind whatsoever of: sign, inscription or lettering (on doors, windows or elsewhere), picture, banner, flag, awning, canopy, planter, landscaping, structure, placard, board, stanchion, decoration and display used for sales, rental, Promotional, advertising, identity, business, Operation and/or any other lawful purpose. There is no restriction or limitation whatsoever on the nature, composition, design, size, illumination, configuration, fabrication, quality, character, color, appearance or content of Signs, unless otherwise expressly provided.

"Sold Residential Unit", **"Sold Residential and Storage Unit"**, **"Sold Storage Unit"** or **"Sold Unit"**: A Residential Unit, a Residential and Storage Unit or a Storage Unit that is sold and conveyed to a bona fide Purchaser under the Plan (including a bona fide Purchaser who is buying for personal use or occupancy by the Purchaser or Purchaser's family or for rental and investment). Generally, a Sold Unit is any Residential or Storage Unit that is not an Unsold Residential or Storage Unit.

"Sold Residential Unit Owner", **"Sold Residential and Storage Unit Owner"**, **"Sold Storage Unit Owner"** or **"Sold Unit Owner"**: The Owner of a Sold Residential Unit, Sold Residential and Storage Unit or Sold Storage Unit or Sold Unit.

"Sold Residential and Storage Unit Owner Affiliate": As defined in Article 2, Section 2, subsection 2.6.6 of the By-Laws.

"Special Allocation and Apportionment Rule": As defined in Article 9, Section 9.1.2 of the Declaration.

"Special Assessment": The amount assessed by the Condominium Board to pay a portion of the Common Expenses and payable by all or certain Unit Owners (as applicable) in the time and manner determined by the Condominium Board. A Special Assessment is a Common Charge and may be payable in an amount or amounts and time period other than that applicable to the regular Common Charges, as determined by the Condominium Board. A Special Assessment shall be payable by the applicable Unit Owners required to pay the Common Expenses to which such Special Assessment is to be applied as provided in the Condominium Documents, the First Year's Budget (SCHEDULE B in Section F or Part I of the Plan) and the Model Budget.

"Specially Apportioned General Common Expenses": As defined in Article 9, Section 9.1.3 of the Declaration.

"Sponsor": 130 West 30th, LLC, the Declarant of the Declaration and the offeror of the Residential and Storage Units under the Plan.

"Sponsor Board Control Period": The period ending on the *earlier* of: (a) the date that the Unsold Residential and Storage Units constitute less than fifty percent (50%) in Common

Interest and number of all Residential and Storage Units; or (b) the fifth (5th) anniversary of the First Closing of a Residential Unit under the Plan.

"Sponsor Related Party": A Person who is a Related Party to Sponsor.

"Sponsor Board Member": A Board Member appointed and designated exclusively by Sponsor (or, after Sponsor no longer owns any Unsold Residential Unit, other Unsold Residential and Storage Unit Owners, if any) to serve as a Residential Board Member and represent the interests of Sponsor and other Unsold Residential and Storage Unit Owners on the Condominium Board. There is no restriction or limitation whatsoever on who may serve as a Sponsor Board Member and may be anyone that either has or does not have a family, employment or business relationship or affiliation with Sponsor or other Unsold Residential Unit Owner or a Related Party to either.

"Sponsor's Rights" or **"Sponsor's/Commercial Owners' Rights"**: As defined in Article 28, Section 28.1 of the Declaration.

"Sponsor Unit": A Unit (including a Residential Unit, a Storage Unit or a Commercial Unit) owned by Sponsor at the time in question.

"Sponsor Veto Control Period": As defined in Article 9, Section 9.11 of the Declaration.

"Storage Unit": The portion of the residential storage space in the Building comprising one of the Storage Units and constituting one of the Condominium Units established under, and so designated as such in EXHIBIT B to, the Declaration and on the Floor Plans, together with the Common Interest appurtenant to such Unit. The location of the Storage Units is more precisely shown in the Floor Plans and is referred to in said EXHIBIT B. A Storage Unit includes all Installations (if any) that are for the exclusive use, service or benefit of such Unit or its Owner and are not expressly stated in the Declaration to be part of the Common Elements or another Unit.

"Storage Unit Owner": The Owner of a Storage Unit.

"Storefronts": The storefronts of a Commercial Unit existing at any time, including the glass, frames, windows and all doors of such storefronts, any gates and security devices and alarms protecting such windows and doors, and any awnings, canopies or Signage immediately above or abutting same.

"Storefront Windows" or similar words: The windows on any Storefront of a Commercial Unit or its entrance.

"Structural Components": The following components of the Building (if and to the extent existing): foundations, foundation walls, pilings, structural columns, beams, supports, girders and similar structural members; load bearing walls; all Building Walls; all wood joists, concrete slabs (or other construction material) comprising the Base Floors (including subflooring, but excluding any wood flooring, tiles, carpeting or other floor covering thereover) and Base Ceilings (excluding any finishes or gypsum board or sheetrock thereon) and all Roofs, including the Roof Structures appurtenant thereto, but excluding any pavers, tiles, deckings or other protective floorings or coverings thereover (which constitute the Terrace or Planting Terrace appurtenant to specified Residential Unit).

"Successor in Interest": As defined in Article 28, Section 28.1 of the Declaration.

"Systems": All HVAC/Mechanical/Utility Systems together with the Roofs and Roof Structures, and the Building Walls.

"Taken" or **"Taking"**: As defined in Section 19.1 of the Declaration.

"Tenant Obligations": As defined in Article 12, Section 12.7 of the Declaration.

"Terrace": The pavers, tiles, decks or other protective flooring or covering appurtenant to, and part of, a specified Residential Unit as identified in EXHIBIT B to the Declaration and the Floor Plans. A Terrace does not include the Roof and its appurtenant Roof Structures under, in and enclosing a Terrace, such Roof and Roof Structures being part of the Residential Limited Common Elements.

"Terrace Objects": As defined in Article 10, Section 10.13 (h) of the Declaration.

"Unauthorized Sold Unit Owner": A Sold Unit Owner who is not an Authorized First Sold Unit Owner.

"Unavoidable Causes": Same as Force Majeure.

"Unit": A Unit is a portion of the Property established under the Declaration as a condominium unit which is owned separately and exclusively by its Owner together with the Common Interest appurtenant to the Unit. Each Owner has exclusive ownership and possession of the Owner's Unit, subject to certain use and occupancy restrictions, and certain rights and easements (including those in favor of the Condominium Board and Sponsor), as and to the extent set forth in the Plan and the Condominium Documents. A Unit is designated in EXHIBIT B to the Declaration and on the Floor Plans as a Residential Unit, a Storage Unit or a Commercial Unit.

"Unit Alteration": As defined in Article 13, Section 13.1 of the Declaration.

"Unit Change": As defined in Article 13, Section 13.1 of the Declaration.

"Unit Combination": As defined in Article 13, Section 13.1 of the Declaration.

"Unit entrance" or similar words: The entrance and exit leading directly into a Unit from the Common Elements or street or from a Unit directly to the Common Elements or street, including the entrance door to a Residential Unit and the door to a Terrace. The Storefront of a Commercial Unit includes the entrance to such Commercial Unit.

"Unit Expansion": As defined in Article 13, Section 13.1 of the Declaration.

"Unit Owner": The Owner of a Unit.

"Unit Subdivision": As defined in Article 13.1 of the Declaration.

"Unsold Residential Unit": A Residential Unit owned at the time in question by an Unsold Residential Unit Owner, regardless of whether such Owner is Sponsor or other Person designated by Sponsor as such.

"Unsold Residential Unit Owner": Sponsor and (if applicable) a Person designated by Sponsor in writing or a Plan Amendment as an Unsold Residential Unit Owner having, with regard to the Unsold Residential Unit owned by such designated Person, all or (only if specified

by Sponsor) certain of Sponsor's Rights under the Plan and the Condominium Documents (i.e., all or (only if specified by Sponsor) certain of the rights, powers, easements, licenses, privileges, exemptions, indemnities, remedies, protections and other benefits of Sponsor under the Plan and Condominium Documents with respect to each Unsold Residential Unit owned by such designee), but subject in each case to the same limitations and restrictions as Sponsor under the Plan and the Condominium Documents.

"Unsold Storage Unit": A Storage Unit owned at the time in question by an Unsold Storage Unit Owner, regardless of whether such Owner is Sponsor or other Person designated by Sponsor as such.

"Unsold Storage Unit Owner": Sponsor and (if applicable) a Person designated by Sponsor in writing or a Plan Amendment as an Unsold Storage Unit Owner having, with regard to the Unsold Storage Unit owned by such designated Person, all or (only if specified by Sponsor) certain of Sponsor's Rights under the Plan and the Condominium Documents (i.e., all or (only if specified by Sponsor) certain of the rights, powers, easements, licenses, privileges, exemptions, indemnities, remedies, protections and other benefits of Sponsor under the Plan and Condominium Documents with respect to each Unsold Storage Unit owned by such designee), but subject in each case to the same limitations and restrictions as are applicable to Sponsor under the Plan and the Condominium Documents.

"Unsold Unit": Any Residential, Storage or Commercial Unit owned at the time in question by an Unsold Unit Owner (regardless of whether such Owner is Sponsor or other Person designated by Sponsor as such). A Sold Unit that is reacquired by Sponsor shall be regarded as an Unsold Unit for all purposes other than for the purpose of determining the expiration of the Sponsor Board Control Period or the Sponsor Veto Control Period. An Unsold Unit shall retain its status and character as an Unsold Unit until: (a) it is no longer owned by Sponsor or an Unsold Unit Owner; (b) it is occupied by its Owner or a family member of the Owner; or (c) it is conveyed to a bona fide Purchaser for personal occupancy (by the Purchaser or a family member of the Purchaser) or for rental or investment and such Purchaser is not designated as an Unsold Unit Owner.

"Unsold Unit Owner": Sponsor and (if applicable) a Person designated by Sponsor in writing or a Plan Amendment as an Unsold Unit Owner having, with regard to each Unsold Unit owned by such designated Person, all or (only if specified by Sponsor) certain of Sponsor's Rights under the Plan and Condominium Documents (i.e., all or (only if specified by Sponsor) certain of the rights, powers, easements, licenses, privileges, exemptions, indemnities, remedies, protections and other benefits of Sponsor under the Plan and Condominium Documents), but subject in each case to the same limitations and restrictions as are applicable to Sponsor under the Plan and the Condominium Documents.

"Usage": As defined in Article 9, Section 9.1.2 of the Declaration.

"Use and Enjoy", **"Use and Enjoyment"** or **"Used and Enjoyed"** or similar words: This term means and includes existence, use, occupancy, enjoyment, service, benefit, sale, rental, granting of licenses or concessions, management, control, Operation, function, business, Signage, market, advertisement, Promotion, health, safety, preservation, welfare, security, protection, appearance or other Disposition.

"utility services": As defined in Article 11, Section 11.11 of the Declaration.

"Vault" A vault is the underground area adjacent to the Property below the sidewalks. The Vault is owned by The City of New York and is permitted to be used by the Property under a revocable license or right. The license or right to use: (a) the Commercial Vault (or Vault #1) is part of Commercial Unit 1; and (b) the General Vault (or Vault #2) is part of the General Common Elements.

"Work" or derivations thereof: All labor performed, and all materials and supplies used, to Maintain, Repair, Alter or perform other Work in or to a Unit or the Common Elements.

"Work Requirements": As defined in Article 15, Section 15.2 of the Declaration.

END OF EXHIBIT C

EXHIBIT D TO DECLARATION

BY-LAWS of 130 West 30th Street Condominium

See DOCUMENT 7 in PART II of OFFERING PLAN

EXHIBIT E TO DECLARATION

UNIT OWNER'S POWER OF ATTORNEY

See DOCUMENT 2 in PART II of OFFERING PLAN

EXHIBIT F TO DECLARATION OF 130 WEST 30TH STREET CONDOMINIUM GUIDELINES FOR BUDGET OF GENERAL OPERATION

The following guidelines are based on the principles, rules and requirements set forth in the Plan in SCHEDULE B (in Section F) and Section H, subsections H-7.1 through H-7.3, and Article 9 of the Declaration ("**Budget Guidelines**"). These Budget Guidelines are intended to avoid or minimize potential disputes that may arise in future years of Condominium Operation and are to be followed by the Condominium Board and the Commercial Unit Owners when adopting a Budget of Condominium Operation and allocating, apportioning assessing each item of projected General Common Expenses to all Residential and Storage Units or the Commercial Units, or both (as applicable) each Budget Year. The Budget Guidelines apply to only the projected General Common Expenses and not to the projected Residential Common Expenses, which are allocated, apportioned and assessed to only all Residential and Storage Unit Owners.

PROJECTED COMMON RECEIPTS:	
General Common Charges:	(Note 1)
All Residential and Storage Units:	(Note 2)
All Commercial Units:	(Note 3)
Total:	General Common Charges (Note 1)

PROJECTED GENERAL COMMON EXPENSES:	(Note 4)
Labor and Related Expenses:	(Note 5)
Electric:	(Note 6)
Water Charges and Sewer Rents:	(Note 7)
Repairs, Maintenance and Supplies:	(Note 8)
Service Contracts:	(Note 9)
Insurance:	(Note 10)
Management Fee:	(Note 11)
Legal and Audit	(Note 12)
Other Expenses:	(Note 13)
Contingencies:	(Note 14)
Total:	General Common Expenses (Note 4)

Notes to Budget Guidelines

Note 1. General Common Charges: The General Common Charges shall be used solely to pay the projected General Common Expenses, which are the projected Costs and Expenses: (a) to Maintain, Repair, Alter, lease, license, sell, mortgage, manage and otherwise Operate and make any Disposition of the General Common Elements and the Association's General Properties; (b) to provide services to all Unit Owners; (c) to conduct the affairs affecting or benefiting the entire Property or all Unit Owners (including the collection of the General Common Charges and the commencement or defense of Lawsuits relating to the non-payment of the General Common Charges. The General Common Expenses allocated to all Units shall generally be apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount of a projected General Common Expense item fairly and properly attributable to the Commercial Units or to the Residential and Storage Units would otherwise require, in which case such fair and proper apportionment shall be used in accordance with the Special Allocation and Apportionment Rule and Section 339-m of the Condominium Act. Pursuant thereto, the items comprising the Specially Apportioned General Common Expenses (viz., Water and Sewer Charges, Insurance, Real Estate Taxes, Management Fee, Legal, Audit and Contingencies) shall be apportioned and assessed among all Units as provided in the Plan in Part I, Section F, subsection F-3 and Section R, subsection R-3. Any dispute regarding one or more items comprising the General Common Charges shall be resolved by arbitration pursuant to Article 19 of the By-Laws.

Note 2. All Residential and Storage Units: The General Common Charges levied on the Residential and Storage Units shall be based upon that portion of each item comprising the projected General Common Expenses that is fairly and properly attributable to the Residential and Storage Units and the Residential Limited Common Elements or (in certain cases) Individual Residential Limited Common Elements (if established). Any dispute regarding one or more items comprising the General Common Charges levied on all Residential and Storage Units shall be resolved by arbitration pursuant to the By-Laws.

Note 3. Commercial Units: The General Common Charges levied on each Commercial Unit shall be limited and restricted to strictly to pay its Pro Rata share of only those items comprising the projected General Common Expenses that are fairly and properly attributable to such Commercial Unit based strictly on (and limited and restricted to the extent only of): (a) those General Common Elements that actually serve or are actually utilized by such Commercial Unit; (b) those services that are actually furnished by the Board to such Commercial Unit; and (c) those items of the projected General Common Expenses relating to the affairs of the entire Property or the Association's General Properties, or the whole Condominium Association, that are allocated to all Units, namely: insurance, management, legal (excluding legal services applicable only to the Operation or affairs of the Residential Space or the Association's Residential Properties), audit and certain administrative and miscellaneous expenses. The General Common Expenses allocated to all Units shall be apportioned and assessed among them as provided in Note 1 above. Any dispute regarding one or more items comprising

the General Common Charges levied on a Commercial Unit shall be resolved by arbitration pursuant to Article 19 of the By-Laws.

Note 4. General Common Expenses: The General Common Expenses shall consist only of the expense items listed below in Notes 5 through 14, subject to change as provided in Article 9 of the Declaration. Any dispute regarding one or more items of General Common Expenses shall be resolved by arbitration pursuant to Article 19 of the By-Laws.

Note 5. Labor and Related Expenses: Labor expenses allocable to the projected General Common Expenses shall consist of, and shall be limited and restricted strictly to, the estimated portion of the time charges of: (a) the superintendent: (a-1) to supervise the service personnel or porter in cleaning and Maintaining the portions of the Building that comprise the General Common Elements and the Immediately Adjacent Sidewalks to the Building; and (a-2) to supervise any contractor in connection with services rendered to portions of the General Common Elements or the Equipment and Installations comprising the General Common Elements; and (b) a cleaning service provider or porter to clean and otherwise Maintain said portions of the General Common Elements and the Immediately Adjacent Sidewalks to the Building. The time charges of the superintendent and said cleaning service provider or porter (as applicable) shall be based on the actual hourly rate payable under either the agreement with Ashland Maintenance or other cleaning service contractor or (if no such service agreement is in effect and the Board becomes the direct employer) the employment agreement with such porter, including the porter's related payroll benefits and costs (if any), but excluding office expenses, overhead and similar costs of the Condominium Board. The expenses of the superintendent and said cleaning service provider or porter (as applicable) so allocated to the General Common Expenses shall be allocated and assessed to the Residential and Storage Units and the amount thereof allocated and assessed to each Commercial Unit shall be limited and restricted strictly to its Pro Rata share of the time charges of the superintendent and said cleaning service provider or porter (as applicable) to clean and Maintain only those General Common Elements that actually serve or are actually utilized by such Commercial Unit and the Immediately Adjacent Sidewalks to the Building, as aforesaid.

Note 6. Electric. The only expense for electric service includible in the General Common Expenses is for lighting the rooms, areas, corridors, public stairs, service lobby and any other portions of the Building comprising the General Common Elements (the cost of electricity to ventilate the lavatories of Commercial Units 1 and 2 is inconsequential and will not be charged to such Units). Such electric expense shall be based on an electrical Usage survey of an electrical engineer or other qualified expert chosen by the Condominium Board or (in absence thereof) the Usage survey of Stanislav Slutsky, P.E., contained in Section F of the Plan (see SCHEDULE B, note 7), and the then applicable rate per KWH of the utility provider, plus sales tax (if any). The projected expense for electricity as determined in accordance with the foregoing shall be charged to all Unit Owners Pro Rata to their respective Common Interests. No gas service is provided to the General Common Elements. Accordingly, the cost of gas

service to the Residential Space is a Residential Common Expense and shall not be charged to the Commercial Unit Owners.

Note 7. Water Charges and Sewer Rents. The only water service provided to the General Common Elements is in connection with the Building's fire protection Systems, which employ recirculating water with negligible or inconsequential consumption. Accordingly, no costs for water or sewer services will be included in the General Common Expenses. Water consumed by Commercial Units 1 and 2 is separately submetered and shall be billed by the Condominium Board to each such Unit based on its water consumption as measured by the Unit's separate submeter and the then applicable municipal rates for water and charges and sewer rents. Commercial Units 3 and 4 do not receive water or sewer services and will not be charged for any water and sewer services furnished to the Building.

Note 8. Repairs, Maintenance and Supplies: The Costs and Expenses of the Condominium Board to Maintain, Repair and Alter, and to provide supplies for, the areas, Equipment and Installations comprising the General Common Elements and the Immediately Adjacent Sidewalks to the Building (excluding the labor and related expenses payable under Note 5 above) shall be included in the General Common Expenses, which shall be allocated and assessed to all Residential and Storage Unit Owners and the amount thereof allocated and assessed to each Commercial Unit Owner shall be limited and restricted strictly to its Pro Rata share (based on the respective Common Interests of Units) of the Costs and Expenses to Maintain, Repair and Alter, and to provide supplies for, only those General Common Elements that actually serve or are actually utilized by such Commercial Unit, and the upkeep of said Immediately Adjacent Sidewalks.

Note 9. Service Contracts: The only fees and charges for service contracts (if any) includible in the General Common Expenses shall be limited and restricted strictly to those services (if any) provided by independent contractors to the spaces and Equipment comprising a part of the General Common Elements or rendered to all Unit Owners (e.g., sprinkler alarm service and pest control contracts, if and as applicable). Generally, the fees and charges for service contracts (except for pest control and sprinkler alarm services) includible in the General Common Expenses shall be allocated and assessed to all Residential and Storage Unit Owners and the amount allocated and assessed to each Commercial Unit Owner shall be limited and restricted strictly to its Pro Rata share (based on the respective amounts assessed to all Residential and Storage Units and such Commercial Unit to Maintain and Repair said General Common Elements or other appropriate basis that reflects the amount fairly attributable thereto) of the costs of service contracts for only those General Common Elements that actually serve or are actually utilized by such Commercial Unit. The costs of pest control services rendered to a Commercial Unit, the General Common Elements or the Residential Space shall be allocated, respectively, to such Commercial Unit, the General Common Expenses and the Residential Common Expenses Pro Rata to their respective square footages receiving such service, unless waived in writing by the Commercial Unit Owner, in which case such costs shall be charged to all Residential

and Storage Unit Owners and such Commercial Unit Owner Pro Rata to their respective Common Interests. The costs of a sprinkler alarm service shall be allocated to all Units Pro Rata to their respective Common Interests.

Note 10. Insurance: The Condominium Board shall obtain insurance coverages in accordance with Article 6 of the By-Laws and SCHEDULE B of Section F in Part I of the Plan. The premiums for insurance shall be included in the General Common Expenses, which shall be allocated to all Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests, except as otherwise provided in the Plan in Part I, Section F, subsection F-3 (which, among other things, specially allocates and assesses a Commercial Unit for the amount of increase (if any) in the Property's insurance premium caused solely by the use of such Commercial Unit for non-residential purposes, after deducting any savings in premiums realized by the Condominium Association's insurance being included under a master insurance policy obtained by Sponsor, a Sponsor Related Party, a Commercial Unit Owner or the Managing Agent) and subject to the exclusive right of each Commercial Unit Owner to limit and restrict the amount of its allocable share of the Property's insurance premiums to strictly reflect the amount fairly and properly attributable to the Commercial Unit as set forth more fully in said subsection F-3.

Note 11. Management Fee: The fees and expenses of the Managing Agent shall be allocated each Budget Year to: (a) the projected Residential Common Expenses in proportion to the management services to be provided to the Residential Space, the Association's Residential Properties and the Residential and Storage Unit Owners for such Budget Year; and (b) the projected General Common Expenses in proportion to the management services to be provided to the General Common Elements, the Association's General Properties and all Unit Owners for such Budget Year. The amount thereof so allocated to: (a) the projected Residential Common Expenses shall be allocated, apportioned and assessed to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests; or (b) the projected General Common Expenses shall be allocated, apportioned and assessed to all Unit Owners Pro Rata to their respective Common Interests. For the first year of Condominium Operation, the fee and expenses of the Managing Agent shall be allocated 90% to the Residential Common Expenses (and charged to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests) and 10% to the General Common Expenses (and charged to all Unit Owners Pro Rata to their respective Common Interests) in accordance with the opinion of Platinum Properties Of New York Ltd. ("**Platinum**") as to the amount thereof which is fairly and properly attributable to each of same and as provided in the Plan in Part I, Section F (see footnote 12 to SCHEDULE B).

Note 12. Legal and Audit: The legal fee for services applicable to only: (a) the Operation, governance and affairs of the General Common Elements, the entire Property or the whole Condominium Association shall be included in the General Common Expenses and allocated, apportioned and assessed to all Unit Owners Pro Rata to their respective Common Interests; or (b) the Operation, governance and affairs of the Residential Space and the Association's Residential Properties shall be included

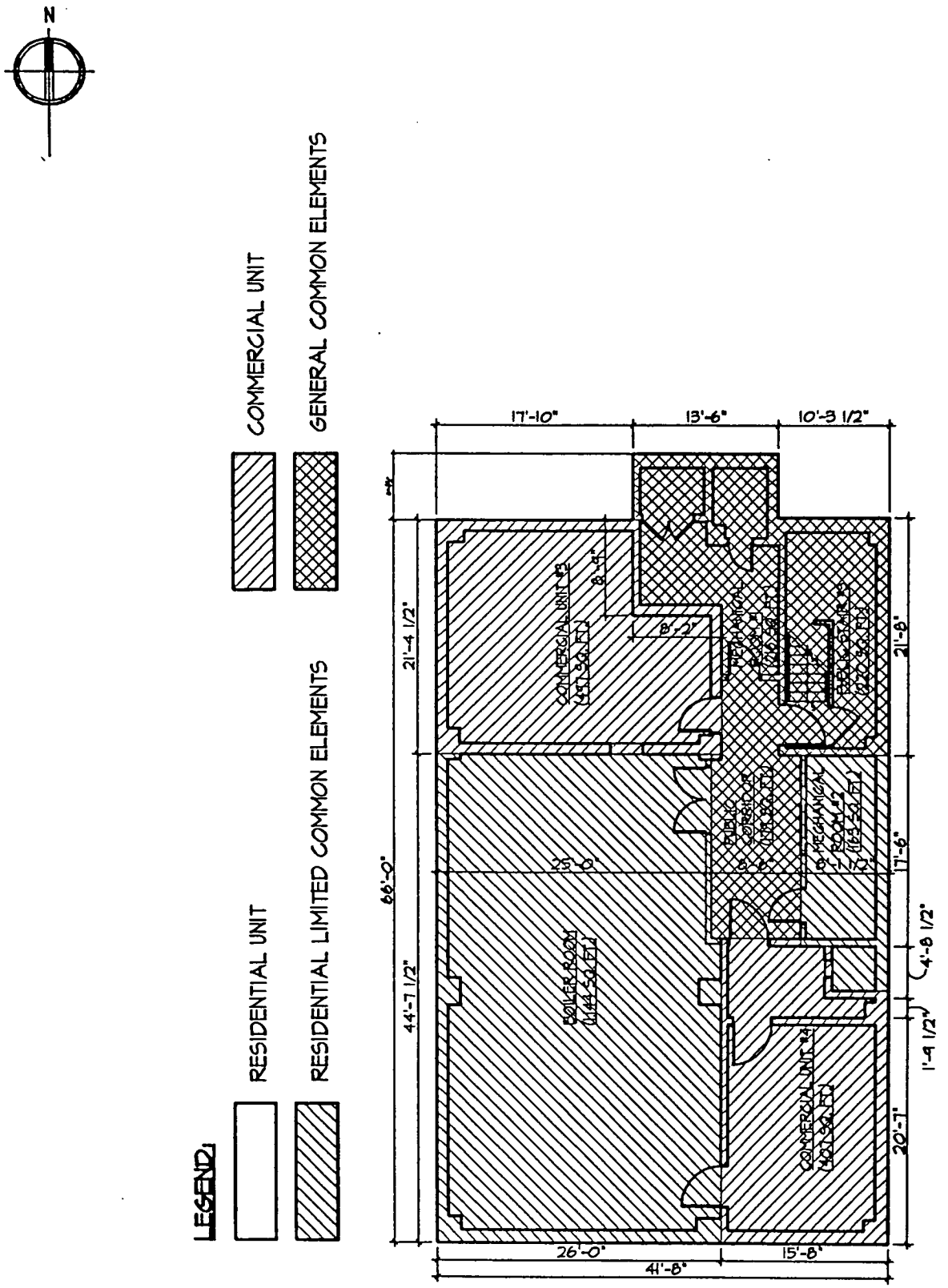
in the Residential Common Expenses and charged to all Residential and Storage Unit Owners Pro Rata to their respective Common Interests. The audit fee is to include the preparation of the federal, state and city income and franchise tax returns for the Operation and affairs of the Common Elements, the Association's Properties and the whole Condominium Association generally, any other similar tax returns of the Condominium, as well as the annual certified financial statements of such Operation and affairs of the Common Elements, the Association's Properties and the whole Condominium Association generally (including a balance sheet and statement of operation) prepared in accordance with generally accepted accounting principles consistently applied. Such audit fee shall be allocated each Budget Year as follows. The portion of the audit fee representing the costs of the audit services fairly attributable to the Operation and affairs of the Residential Space and the Association's Residential Properties, including the costs to audit the Residential Common Expenses, shall be allocated, apportioned and assessed to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests. The balance of such audit fee, representing the costs of the audit services fairly attributable to the Operation and affairs of the General Common Elements, the Association's General Properties and the whole Condominium Association, including the costs to audit the General Common Expenses, shall be allocated, apportioned and assessed to all Unit Owners Pro Rata to their respective Common Interests. For the first year of Condominium Operation, the fee and expenses of the auditor shall be allocated 90% to the Residential Common Expenses and charged to all Residential and Storage Unit Owners Pro Rata to their respective Common Interests and 10% to the General Common Expenses and charged to all Unit Owners Pro Rata to their respective Common Interests in accordance with the opinion of Platinum as to the amount thereof which is fairly and properly attributable to each of same and as provided in the Plan in Part I, Section F (see footnote 13 to SCHEDULE B).

Note 13. Other Expenses: The Other Expenses includible in the General Common Expenses shall consist of: (a) the fees or charges (if any) for permits or licenses in connection with the General Common Elements (but not the Residential Equipment or Commercial Equipment); (b) the costs to generate payroll checks and related filings for the superintendent and (if applicable) a porter (but not the lobby attendant), which shall be allocated to the General Common Expenses and the Residential Common Expenses Pro Rata to the labor expenses for such employees allocated to each such category of expenses; and (c) administrative costs (such as for copying, faxing, postage and bank fees and charges) for the Operation and affairs of only the General Common Elements and the whole Condominium Association generally (but not for the Operation and the affairs of only the Residential Space, which shall be included in the Residential Common Expenses payable by only the Residential and Storage Unit Owners Pro Rata to their respective Common Interests). The foregoing Other Expenses so included in the General Common Expenses shall be allocated, apportioned and assessed to all Unit Owners Pro Rata to their respective Common Interests. The Other Expenses shall also include any projected income, franchise and unincorporated business taxes and other taxes (collectively, **"income taxes"**) payable in respect of the Common Charges or the Operation and affairs of the Common Elements or the Association's Properties. Such

income taxes (if any) shall be allocated each Budget Year to the projected Residential Common Expenses and the projected General Common Expenses approximately Pro Rata to the respective amounts of the Residential Common Charges (including any Special Assessments imposed on only the Residential and Storage Unit Owners) and the General Common Charges (including any Special Assessments imposed on all Unit Owners) for such Budget Year. The amount thereof so allocated to: (a) the projected Residential Common Expenses shall be payable by only the Residential and Storage Unit Owners Pro Rata to their respective Common Interests; or (b) the projected General Common Expenses shall be allocated, apportioned and assessed to all Unit Owners Pro Rata to their respective General Common Charges for such Budget Year (i.e., Pro Rata to their respective Common Interests if and to the extent all of such General Common Charges are assessed Pro Rata to the Common Interests). For the first year of Condominium Operation, the Other Expenses shall be allocated 95% to the Residential Common Expenses (and charged to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests) and 5% to the General Common Expenses (and charged to all Unit Owners Pro Rata to their respective Common Interests) in accordance with the opinion of Platinum as to the amount thereof which is fairly and properly attributable to each of same and as provided in the Plan in Part I, Section F (see footnote 14 SCHEDULE B).

Contingencies: The Budget of General Operation may include an amount for unanticipated expenses applicable only to the Operation and affairs of only the General Common Elements, the Association's General Properties and the whole Condominium Association generally, provided such amount shall not exceed 5% of all other projected General Common Expenses for the Budget Year in question, unless otherwise determined by the Condominium Board, such determination, however, shall be subject to obtaining the prior written Discretionary Consents or Approvals of both the Sponsor (during only the Sponsor Veto Control Period) and the Commercial Unit Owners as provided in the Plan and the Condominium Documents. The item for contingencies shall be apportioned to all Residential and Storage Units, and to the Commercial Units, approximately Pro Rata to the respective projected General Common Expenses (excluding the item for contingencies) allocated to all Residential and Storage Units, and to the Commercial Units, in each Budget adopted by the Condominium Board. For the first year of Condominium Operation, the Contingencies shall equal (a) 2.5% of the total budgeted General Common Expenses and Residential Common Expenses allocated to all Residential and Storage Units; and (b) 2.5% of the total budgeted General Common Expenses allocated to the Commercial Units, all as set forth in the Plan in Section F (see footnote 15 to SCHEDULE B).

END OF BUDGET GUIDELINES

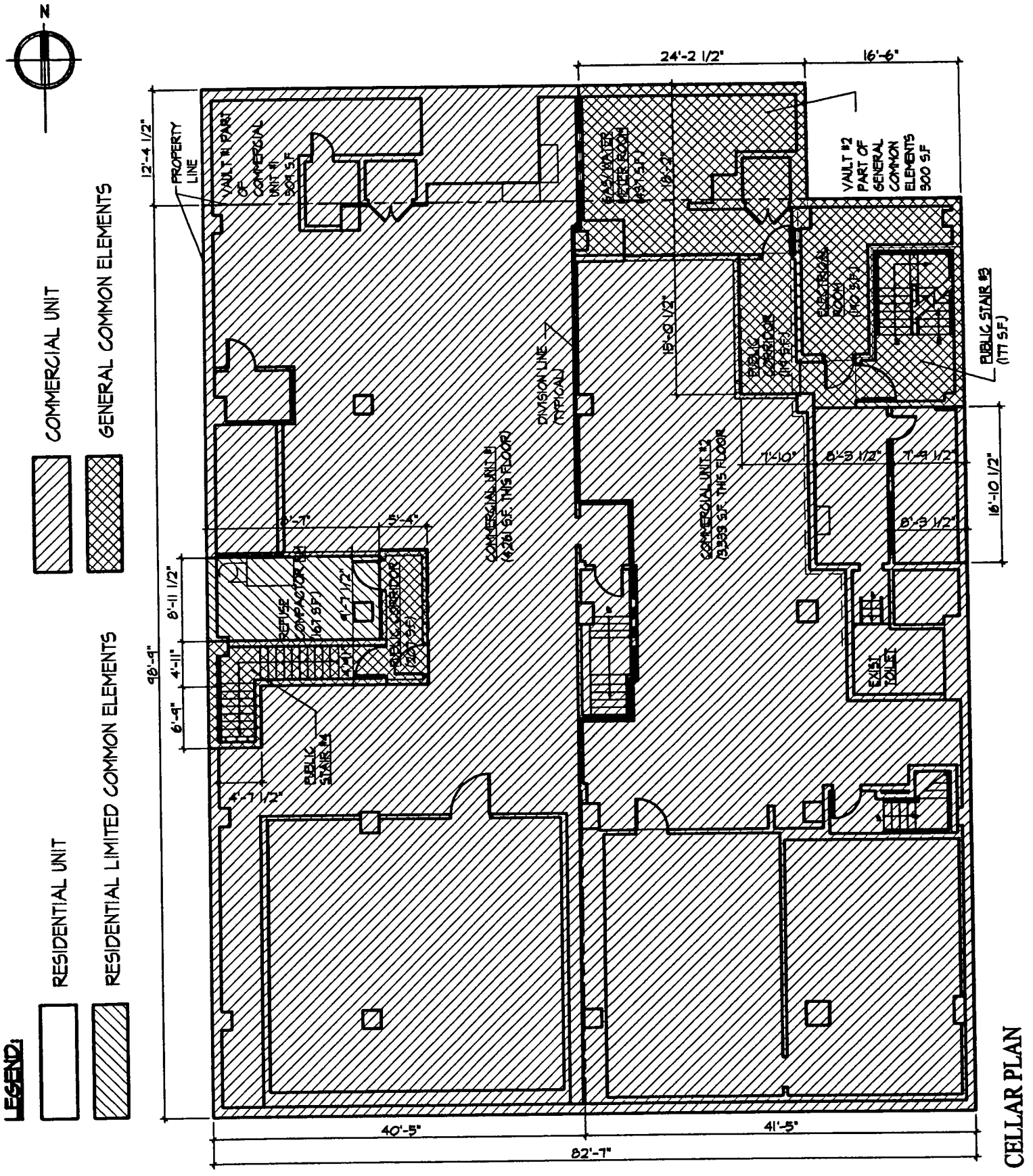


SUB-CELLAR PLAN

EXHIBIT "G"

DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.

ALL DIMENSIONS APPROXIMATE.



CELLAR PLAN

EXHIBIT "G"

DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.

ALL DIMENSIONS APPROXIMATE.

130 WEST 30TH STREET CONDOMINIUM, 130 W. 30TH STREET, N.Y., N.Y.

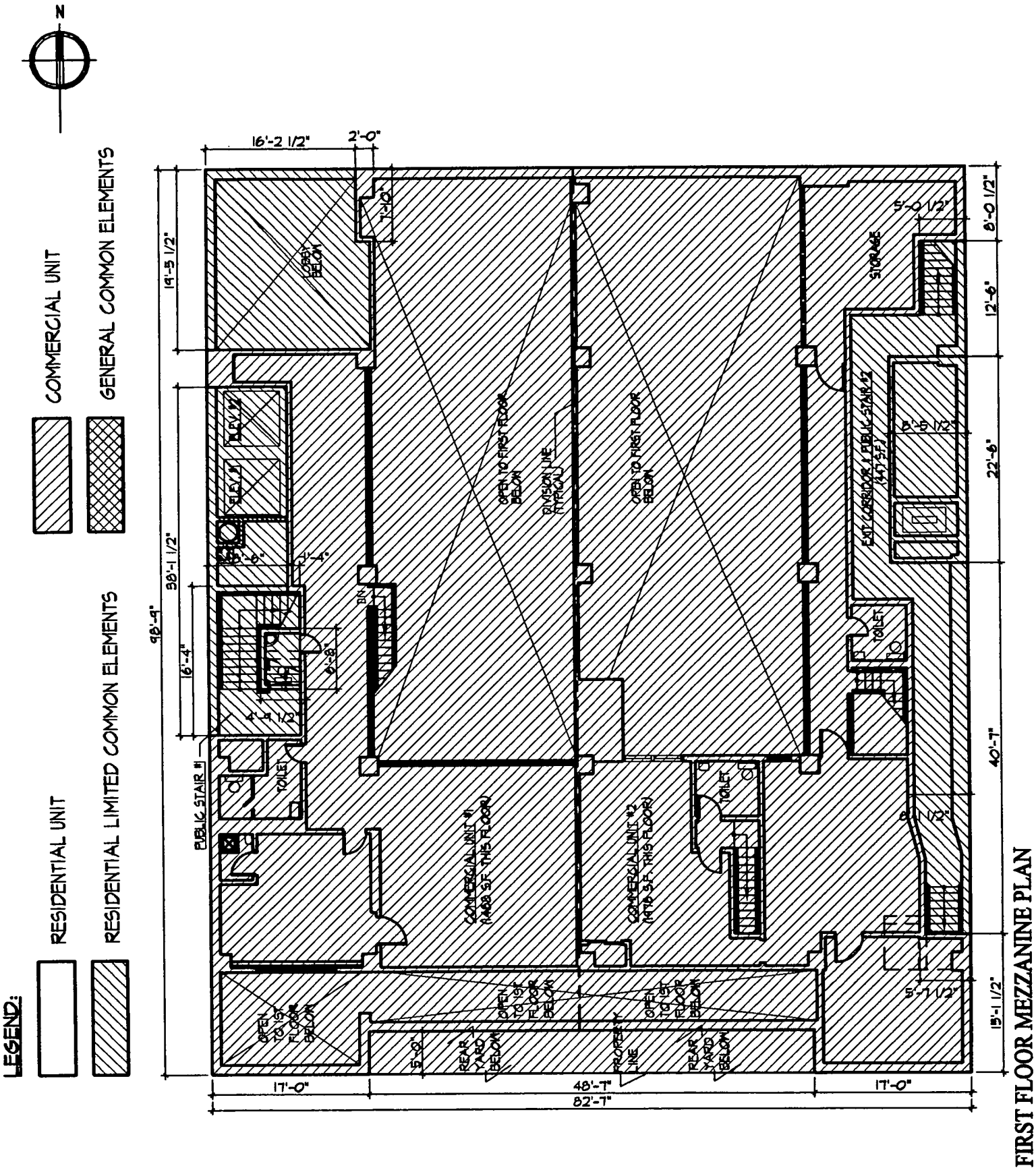
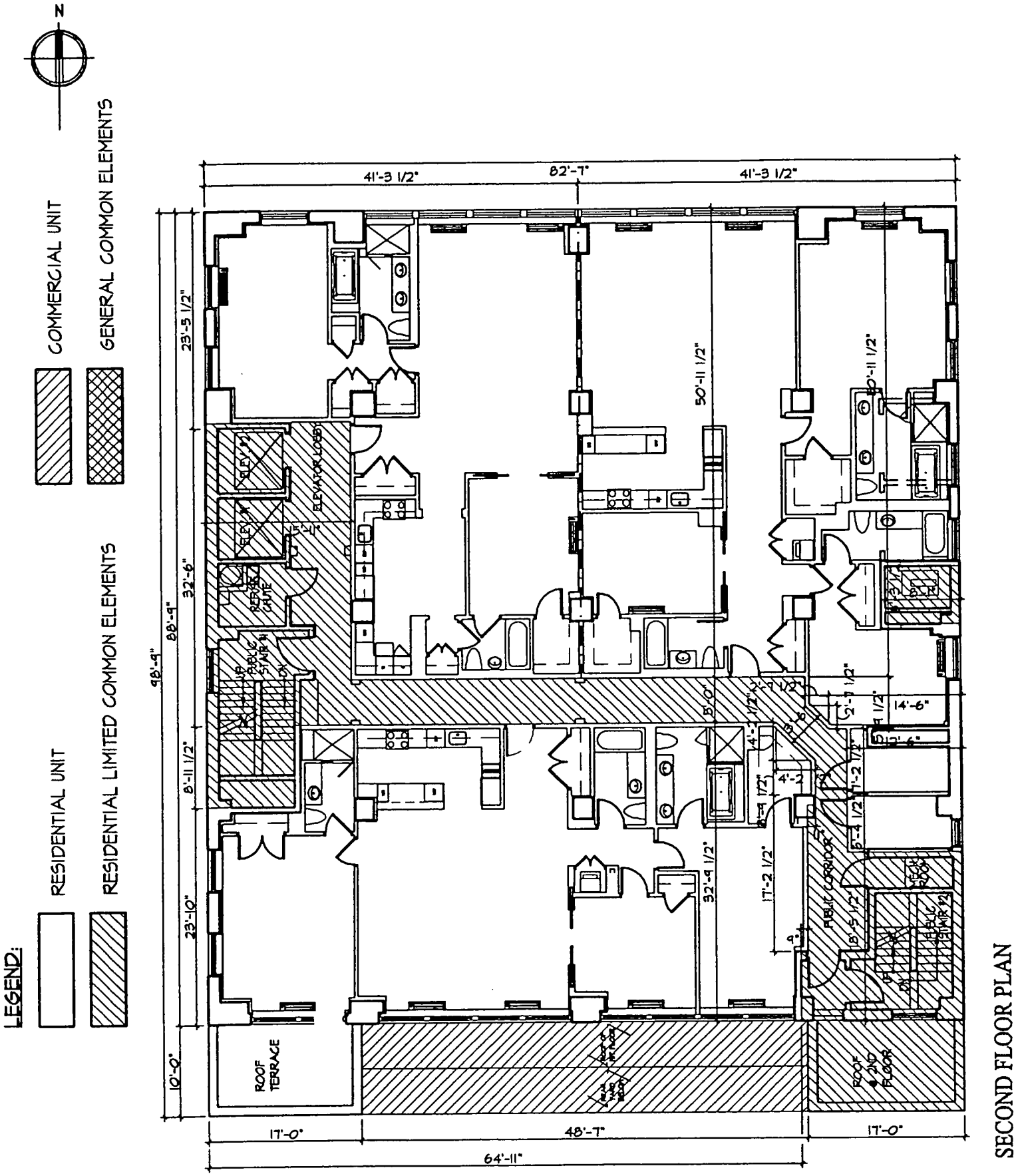


EXHIBIT "G"

DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.

ALL DIMENSIONS APPROXIMATE.

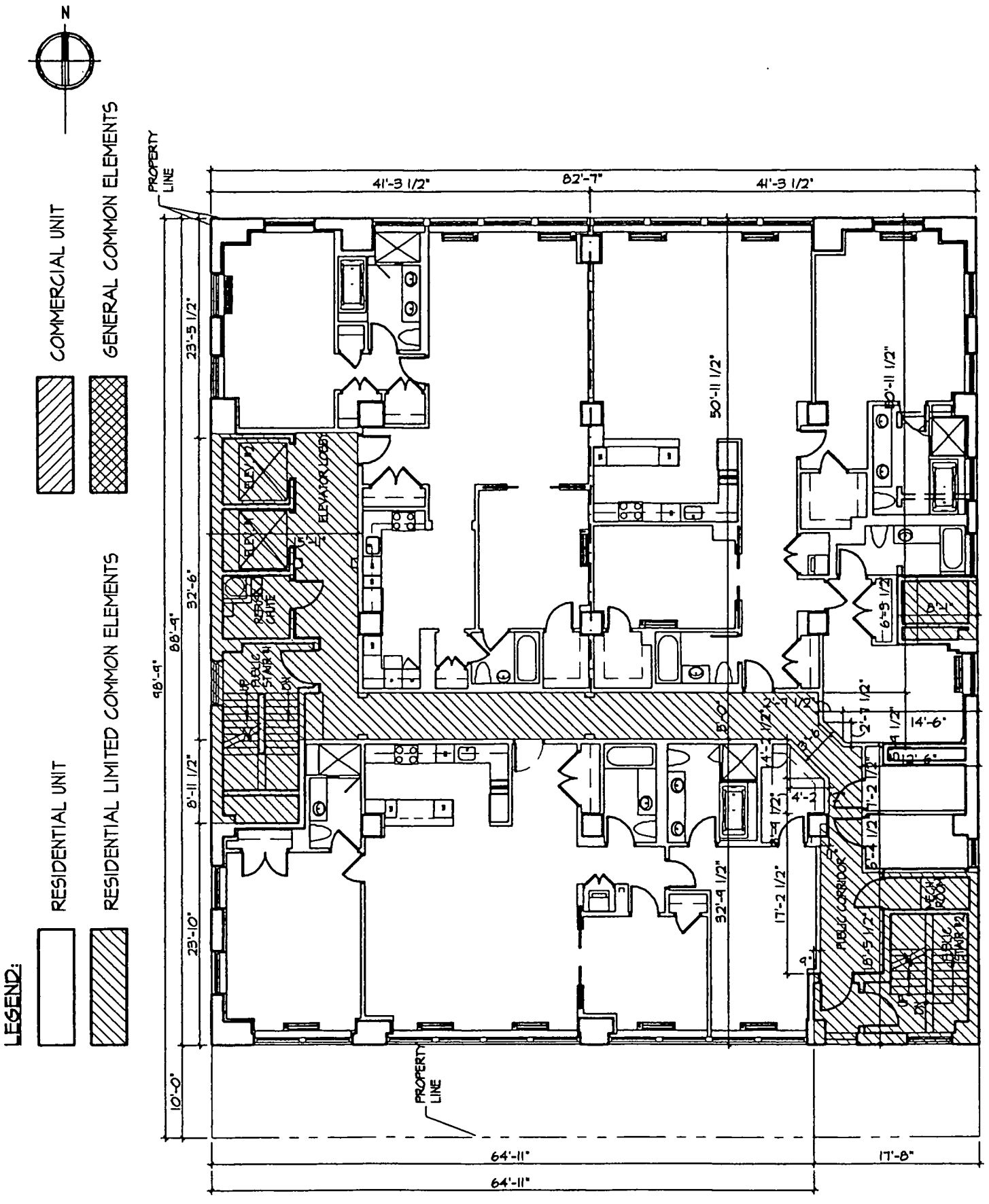


SECOND FLOOR PLAN

EXHIBIT "G"

DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.

ALL DIMENSIONS APPROXIMATE.



THIRD THRU NINTH FLOOR PLANS

EXHIBIT "G"

DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.

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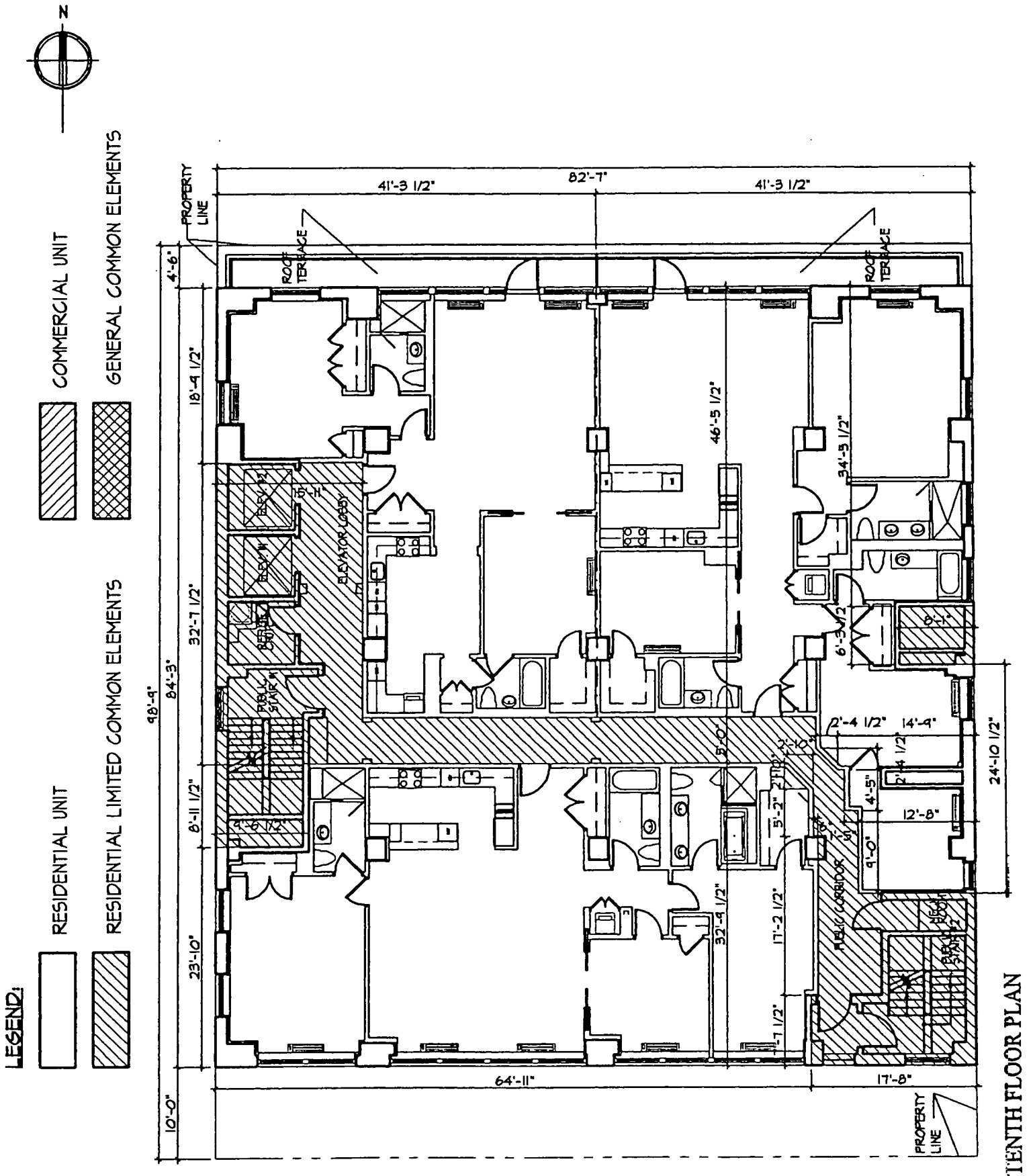
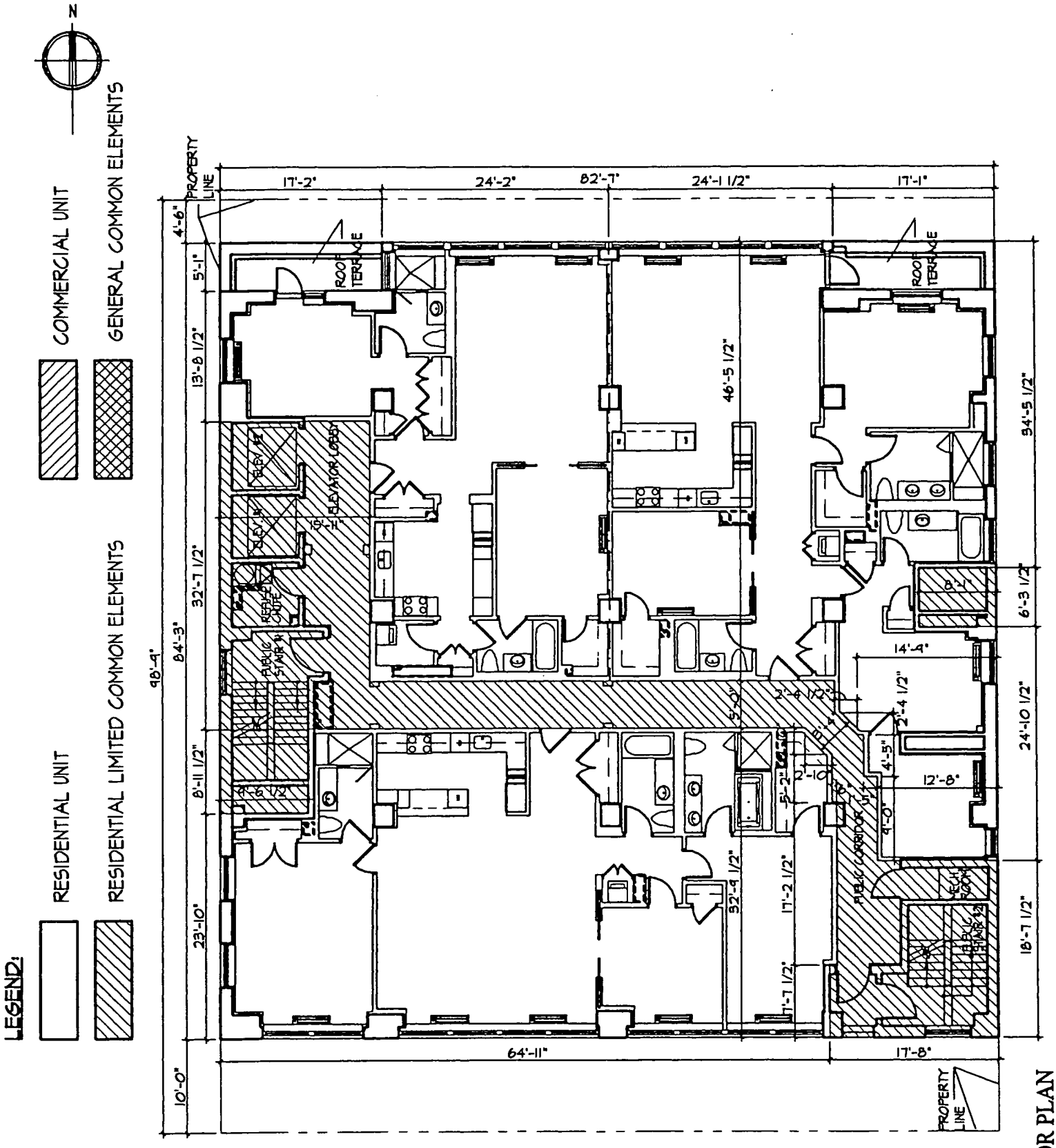
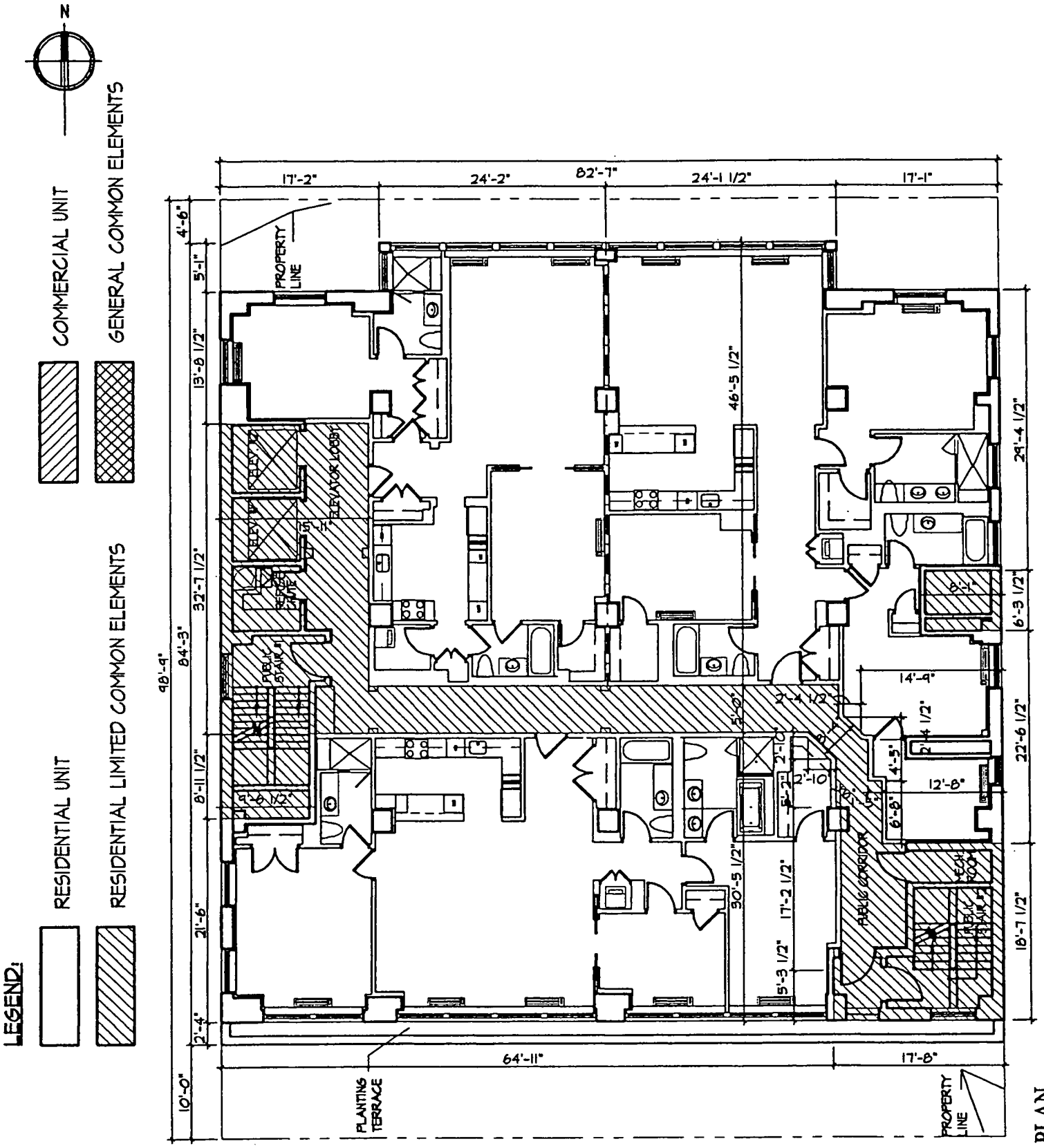


EXHIBIT "G"
DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.
ALL DIMENSIONS APPROXIMATE.



ELEVENTH FLOOR PLAN

EXHIBIT "G"
DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.
ALL DIMENSIONS APPROXIMATE.



TWELFTH FLOOR PLAN

EXHIBIT "G"

DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.

ALL DIMENSIONS APPROXIMATE.

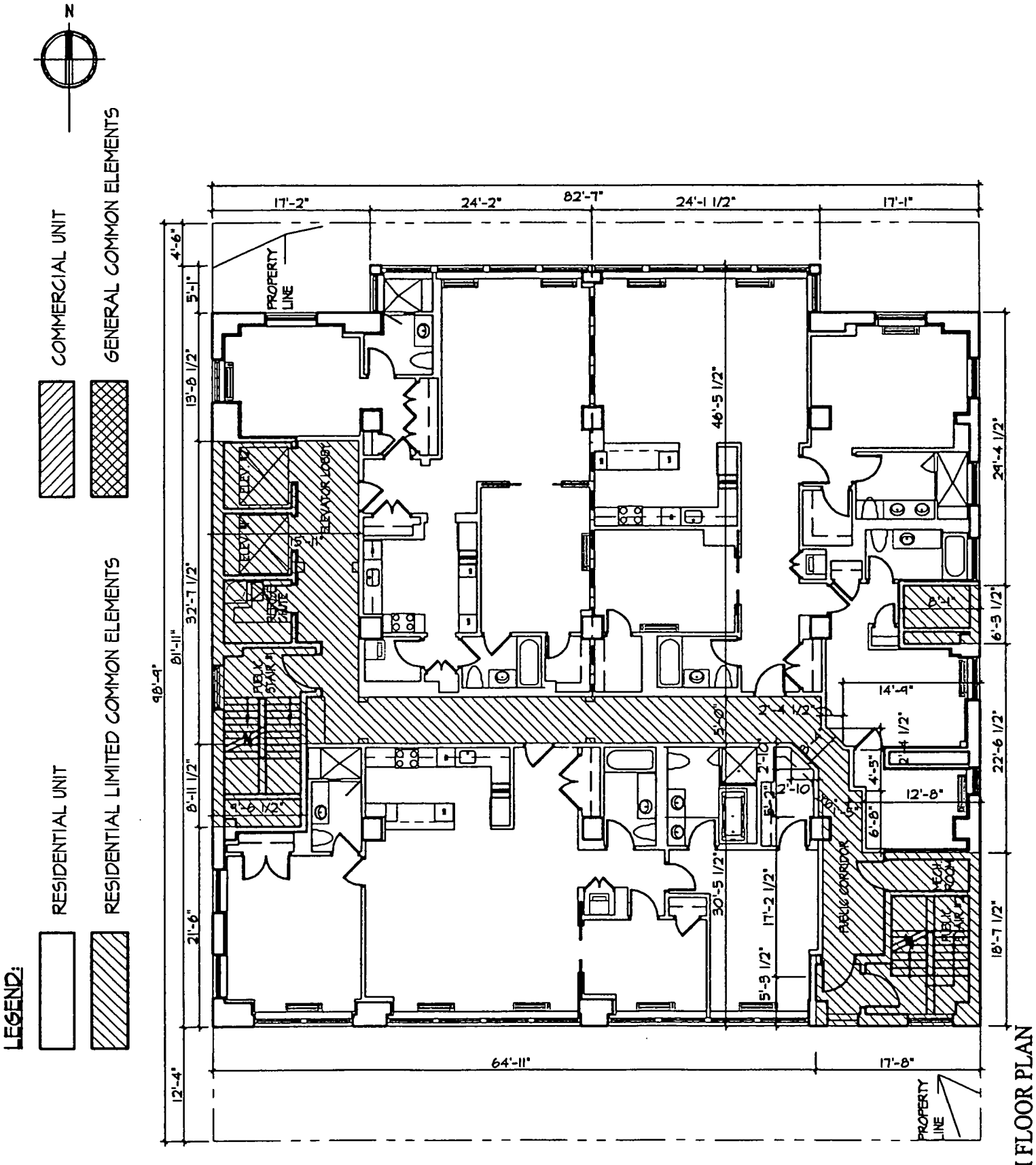
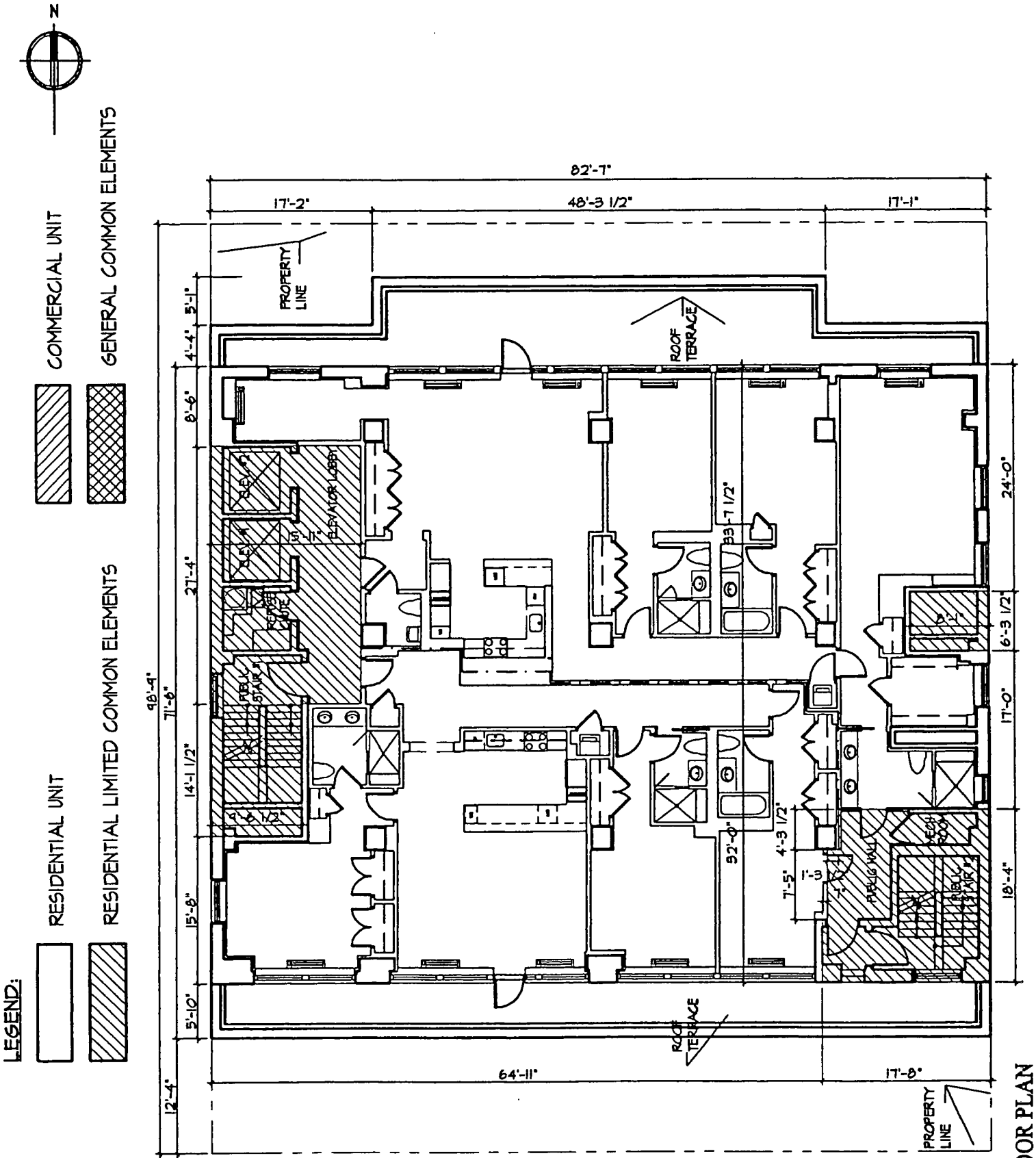


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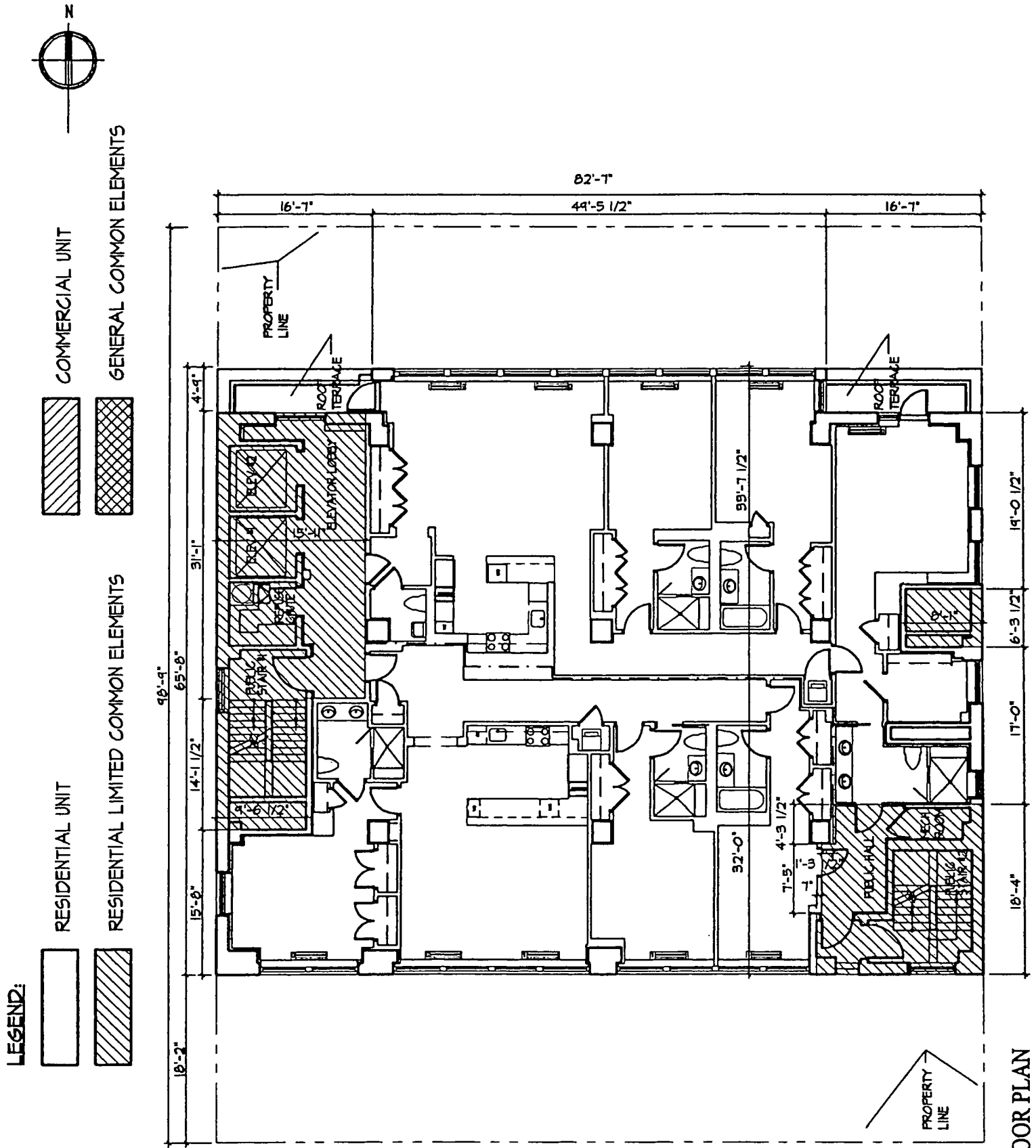
DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.

ALL DIMENSIONS APPROXIMATE.



FIFTEENTH FLOOR PLAN

EXHIBIT "G"
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ALL DIMENSIONS APPROXIMATE.

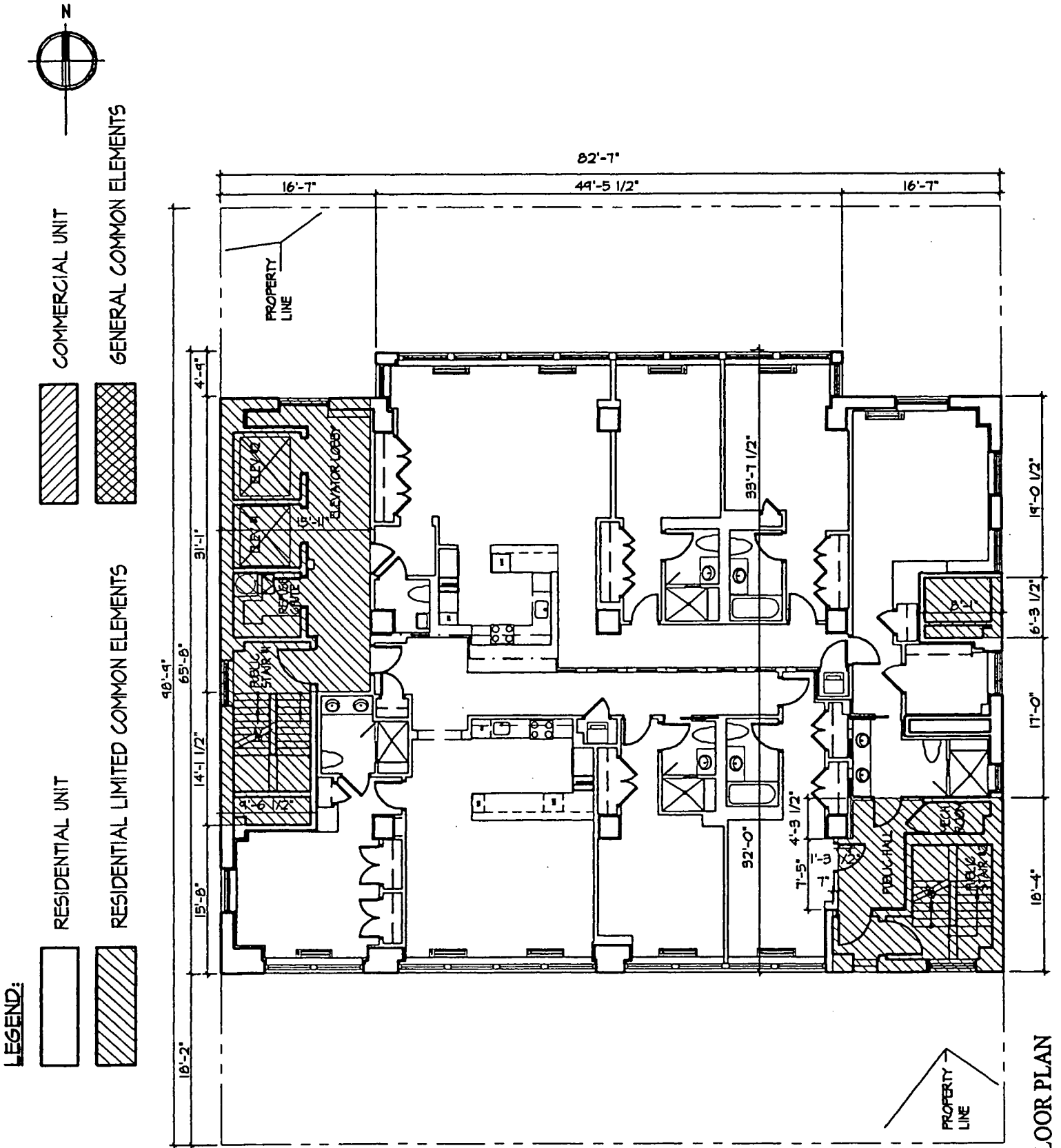


SIXTEENTH FLOOR PLAN

EXHIBIT "G"

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ALL DIMENSIONS APPROXIMATE.

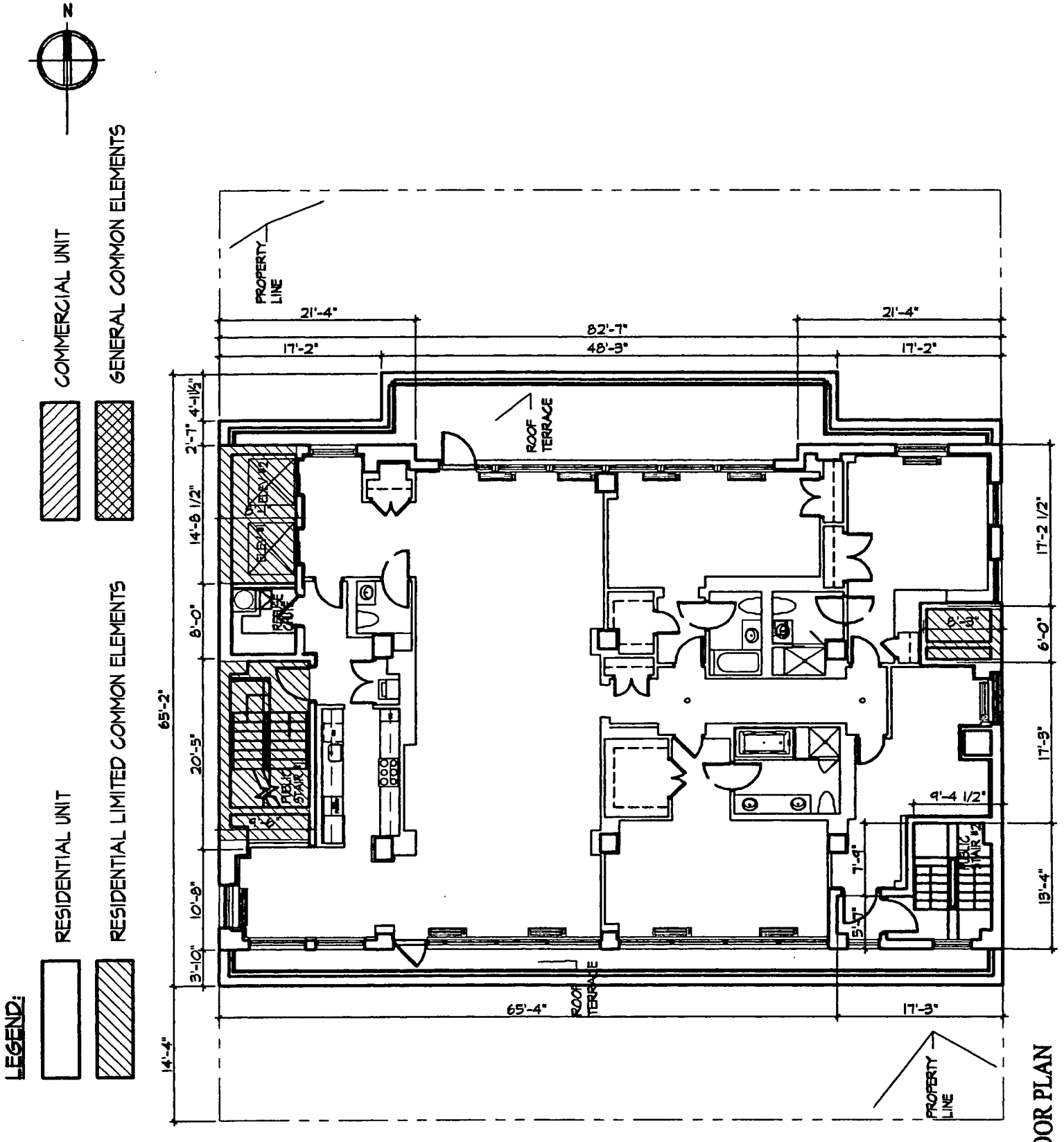


SEVENTEENTH FLOOR PLAN

EXHIBIT "G"

DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.

ALL DIMENSIONS APPROXIMATE.

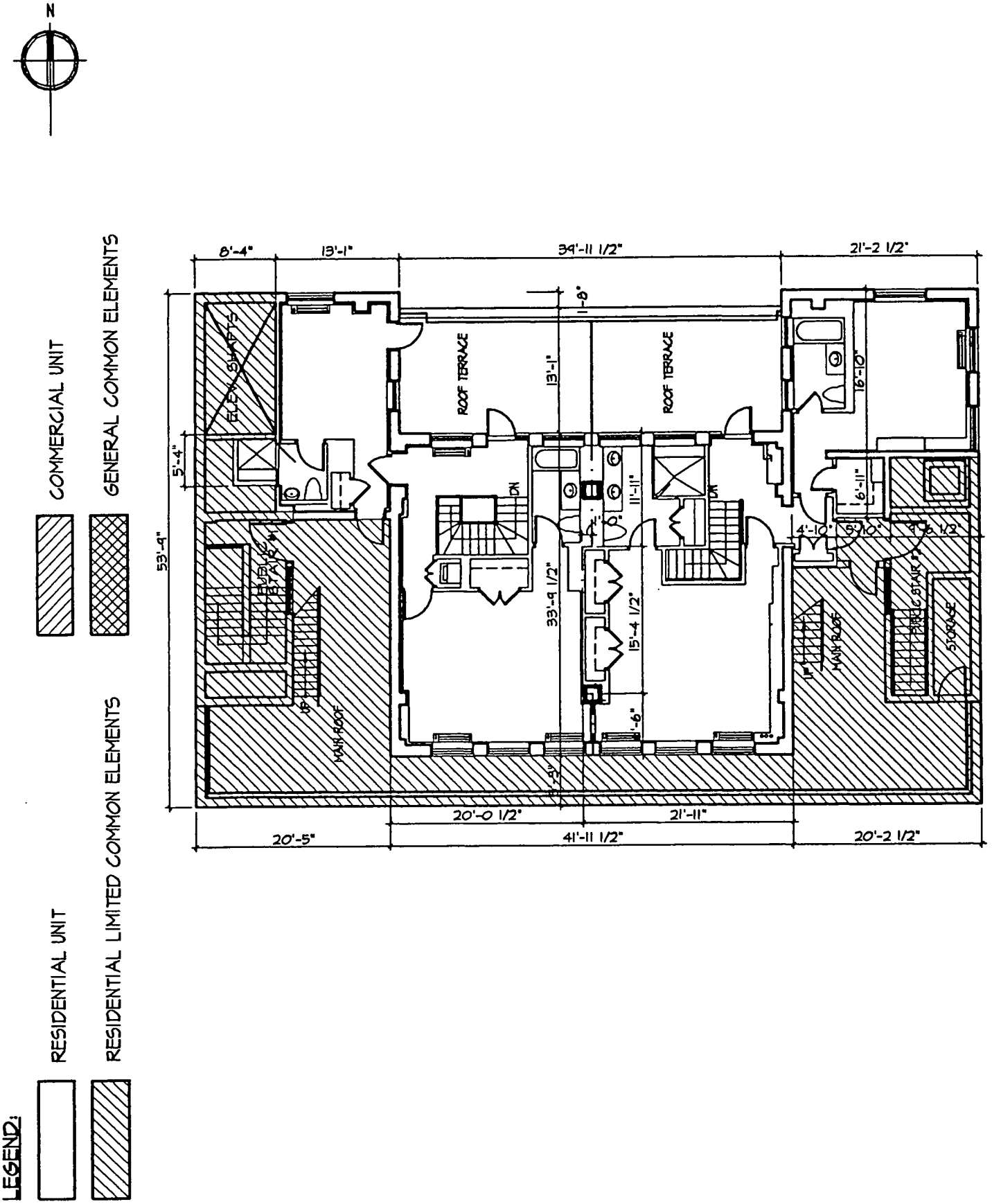


EIGHTEENTH FLOOR PLAN

EXHIBIT "G"

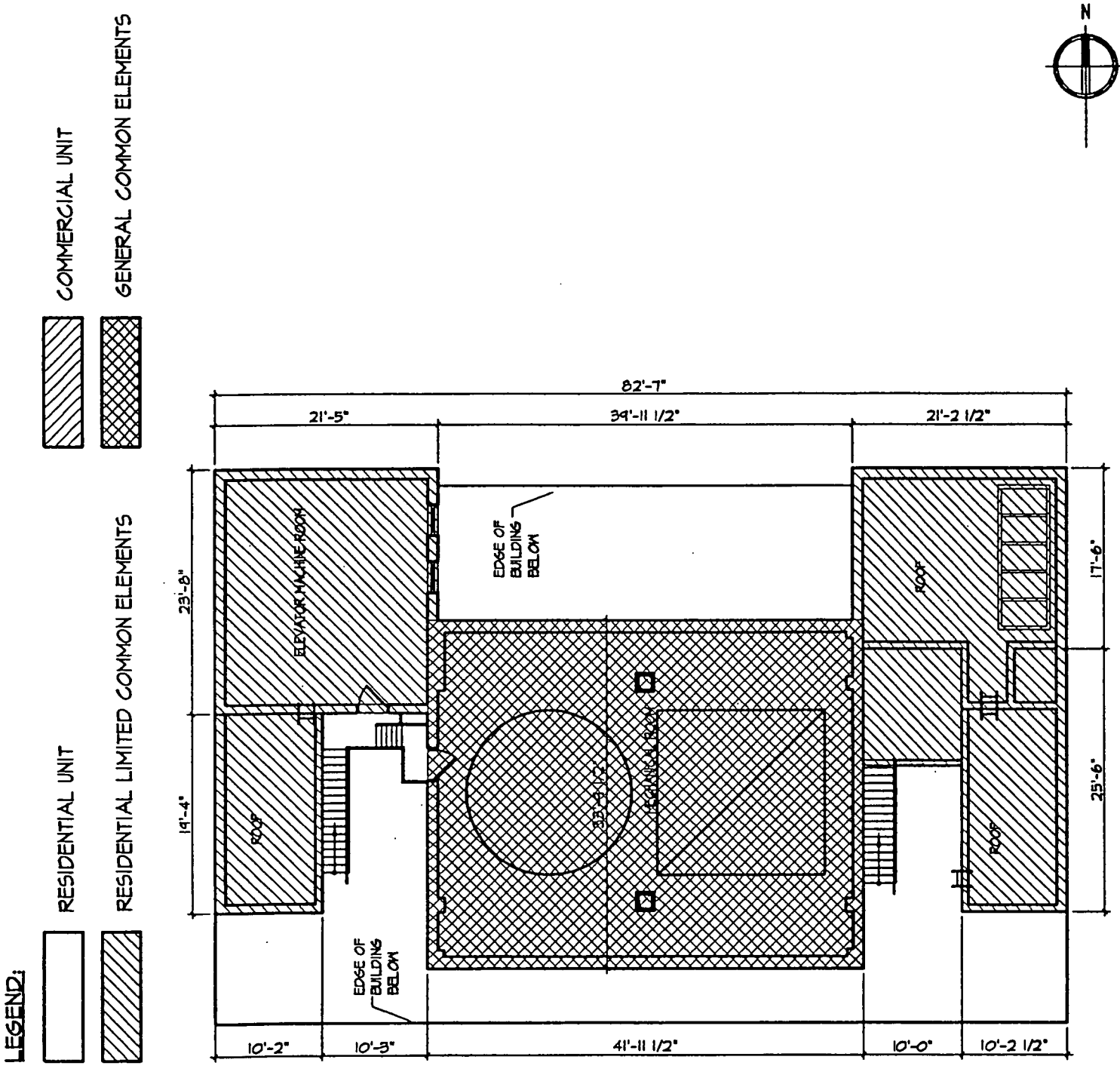
DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.

ALL DIMENSIONS APPROXIMATE.



TWENTIETH FLOOR PLAN

EXHIBIT "G"
DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.
ALL DIMENSIONS APPROXIMATE.



MECHANICAL LEVEL (21st LEVEL)

EXHIBIT "G"
DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.
ALL DIMENSIONS APPROXIMATE.

EXHIBIT "G"

DIAGRAMS OF ROOMS & AREAS OF COMMON ELEMENTS.

ALL DIMENSIONS APPROXIMATE.

EXH G-18

130 WEST 30TH STREET CONDOMINIUM. 130 W. 30TH STREET. N.Y., N.Y.

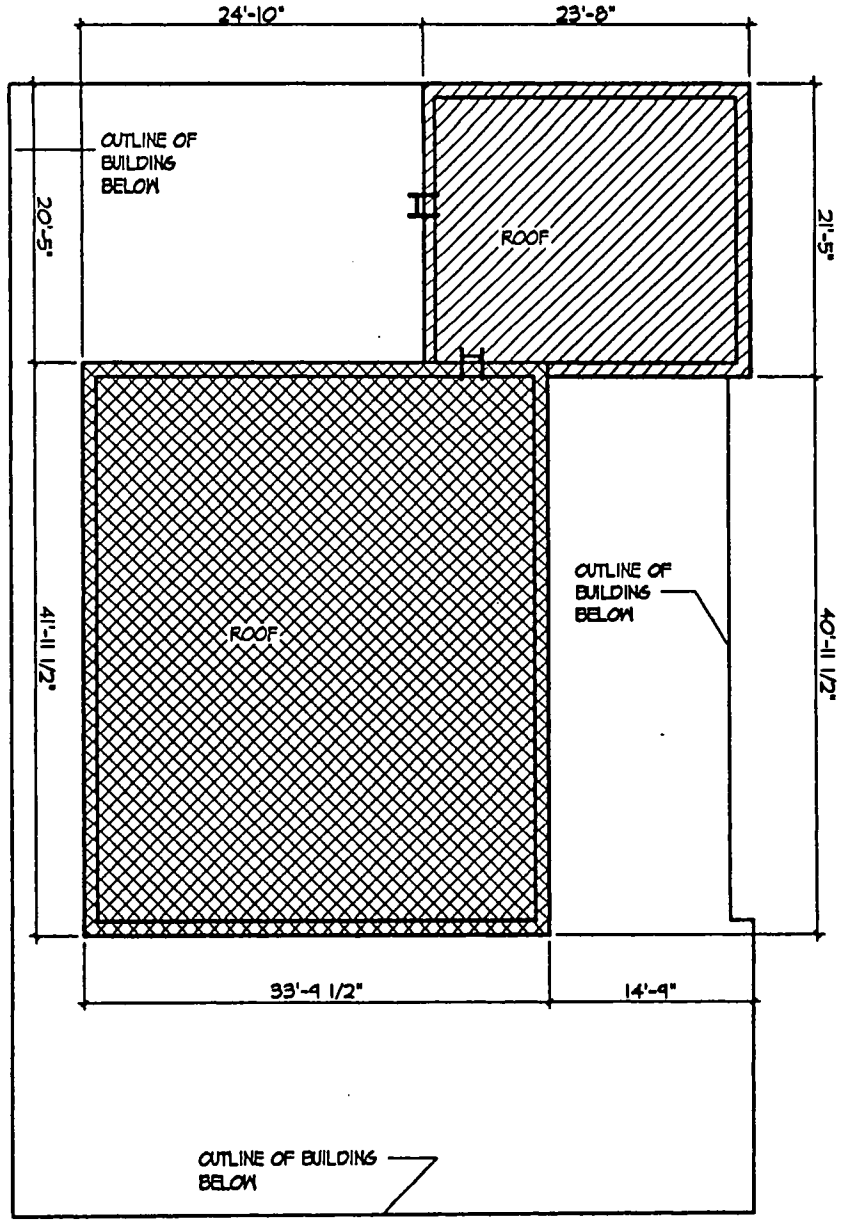
LEGEND:

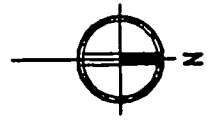
RESIDENTIAL UNIT

COMMERCIAL UNIT

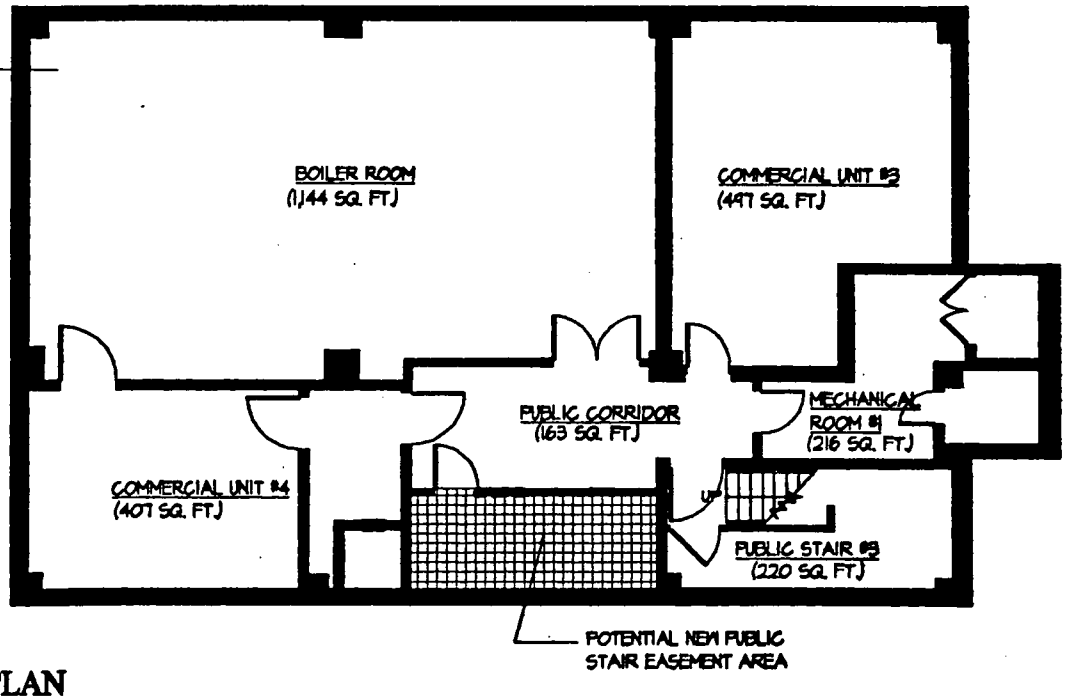
RESIDENTIAL LIMITED COMMON ELEMENTS

GENERAL COMMON ELEMENTS





UPPER ROOF PLAN

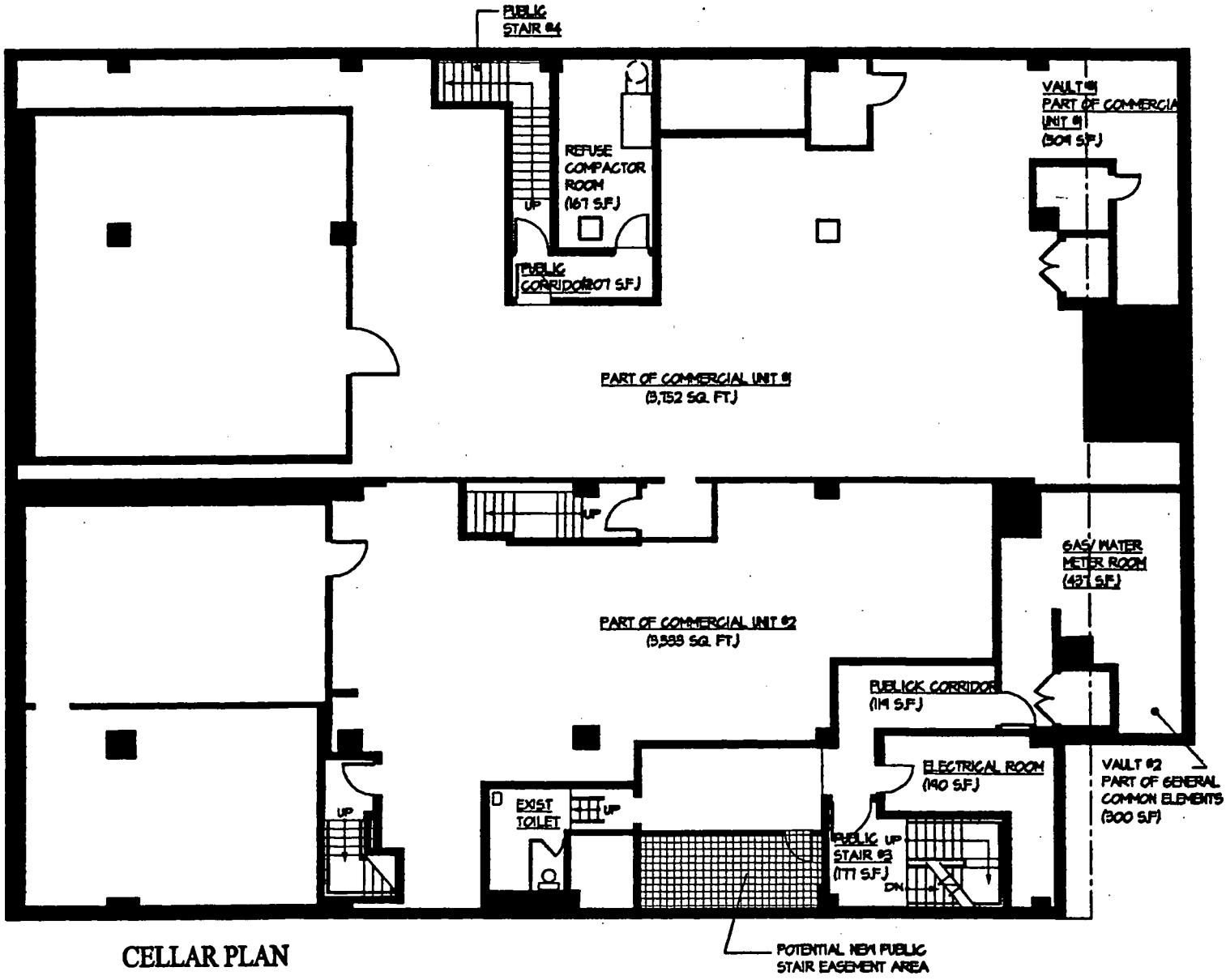


SUB-CELLAR PLAN

EGRESS EASEMENT AREA FOR POTENTIAL NEW PUBLIC STAIR

130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK

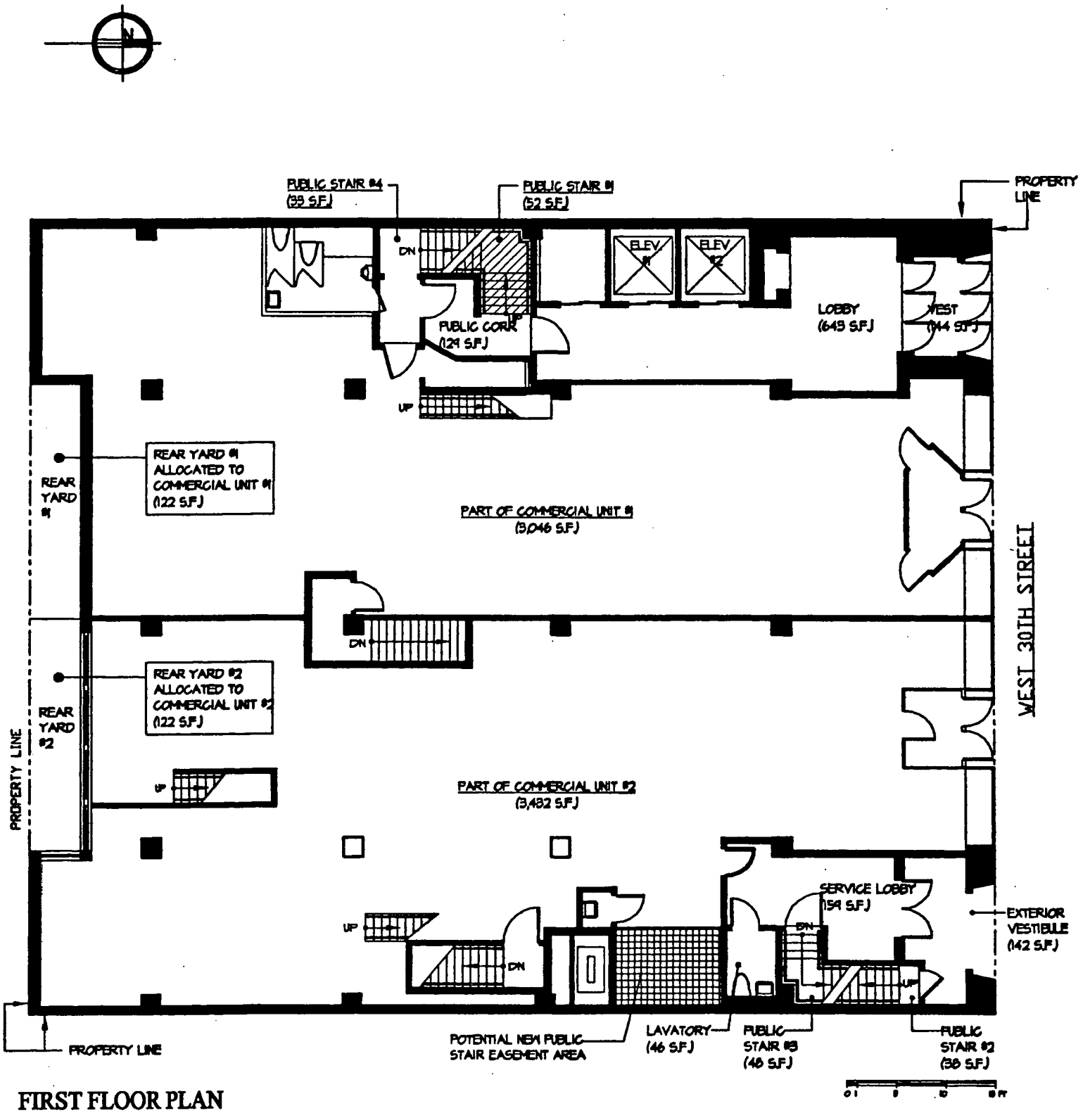


CELLAR PLAN

EGRESS EASEMENT AREA FOR POTENTIAL NEW PUBLIC STAIR

130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK



FIRST FLOOR PLAN

EGRESS EASEMENT AREA FOR POTENTIAL NEW PUBLIC STAIR

130 WEST 30th STREET CONDOMINIUM

130 WEST 30TH STREET NEW YORK, NEW YORK

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EXHIBIT D TO DECLARATION OF CONDOMINIUM

BY-LAWS

OF

Name of Condominium:	**130 West 30th Street Condominium**
Address of Condominium Property:	**130 West 30th Street (a/k/a 128-134 West 30th Street) New York, New York 10001**
Declarant:	**130 West 30th, LLC**
Prepared by:	**Mandel Resnik Kaiser Moskowitz & Greenstein P.C. 220 East 42nd Street New York, New York 10017 Attn: Alan L. Kazlow, Esq.**

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Table of Contents of By-Laws

Caption		Page
ARTICLE 1 GENERAL		2
Section 1.1	Purpose	2
Section 1.2	Location and Description	2
Section 1.3	Definitions	2
Section 1.4	Applicability of By-Laws	2
Section 1.5	Application of By-Laws	2
Section 1.6	Principal Office of the Condominium	3
ARTICLE 2 THE CONDOMINIUM BOARD		3
Section 2.1	General	3
Section 2.2	Status of the Condominium Board	3
Section 2.3	Principal Office of the Condominium Board	3
Section 2.4	Powers and Duties of the Board	3
Section 2.5	Delegation and Restrictions	9
Section 2.6	Number, Election, Composition and Qualification of Board Members	11
Section 2.7	Term of Office of Board Members	14
Section 2.8	Removal and Resignation of Board Members	15
Section 2.9	Vacancies	15
Section 2.10	Organizational Meeting of the Condominium Board	16
Section 2.11	Regular Meetings of the Condominium Board	16
Section 2.12	Special Meetings of the Condominium Board	17
Section 2.13	Waiver of Notice of Meetings	17
Section 2.14	Quorum of the Condominium Board	17
Section 2.15	Conduct of Meetings	18
Section 2.16	Decisions by the Condominium Board	18
Section 2.17	Compensation of Members	19
Section 2.18	Standards for Fiduciary Responsibility and Self-Dealing	19
Section 2.19	Liability of the Condominium Board	20
Section 2.20	Transactions by Declarant in Lieu of Condominium Board	21
ARTICLE 3 OFFICERS		22
Section 3.1	General	22
Section 3.2	President	22
Section 3.3	Vice President and Co-Vice Presidents	23
Section 3.4	Secretary and Assistant Secretaries	23
Section 3.5	Treasurer	23
Section 3.6	Election, Term of Office and Qualifications of Officers	23
Section 3.7	Removal and Resignation of Officers	24
Section 3.8	Vacancies	24
Section 3.9	Compensation of Officers	24
Section 3.10	Liability of the Officers of the Condominium	24
ARTICLE 4 UNIT OWNERS		25
Section 4.1	Annual Meetings of the Unit Owners	25
Section 4.2	Special Meetings of the Unit Owners	26
Section 4.3	Place of Meetings	27
Section 4.4	Notice of Meetings	27
Section 4.5	Quorum of the Unit Owners	27
Section 4.6	Conduct of Meetings	28
Section 4.7	Order of Business	29

Caption		Page
Section 4.8	Voting	29
Section 4.9	Election of Members of the Condominium Board	31
Section 4.10	Action Without a Meeting	32
Section 4.11	Title to Units	32
Section 4.12	Joint, Non-recourse and Limited Liability of Unit Owners	32
ARTICLE 5 MAINTENANCE, REPAIRS AND ALTERATIONS OF UNITS AND COMMON ELEMENTS		33
Section 5.1	Maintenance and Repairs	33
Section 5.2	Alterations and Major Repairs	40
Section 5.3	Declaration Governs Maintenance, Repairs and Alterations of Units, Common Elements and Association's Properties	48
Section 5.4	Negligence, Misuse, Abuse or Neglect	48
Section 5.5	Damages Necessitated by Repairs or Alterations	49
ARTICLE 6 INSURANCE		50
Section 6.1	Insurance Requirements for the Condominium Board	50
Section 6.2	Fire and Casualty Insurance	50
Section 6.3	Liability Insurance	51
Section 6.4	Boiler and Machinery Insurance	52
Section 6.5	Worker's Compensation	52
Section 6.6	Other Insurance	52
Section 6.7	Insurance Covering Work Performed by Board	52
Section 6.8	Insurance Amounts and Deductibility	53
Section 6.9	Adjustment and Payments	53
Section 6.10	Allocation of Insurance Premiums	54
Section 6.11	Insurance Requirements for Unit Owners	54
Section 6.12	General Insurance Matters	55
ARTICLE 7 DAMAGE OR DESTRUCTION OF BUILDING		57
Section 7.1	Substantial Destruction or Damage	57
Section 7.2	Insurance Trust Funds	57
Section 7.3	Repairs	58
Section 7.4	Allocation of Net Insurance Trust Funds	59
Section 7.5	Insufficient Trust Funds	59
Section 7.6	Surplus Trust Funds	60
Section 7.7	Lien Priority	60
Section 7.8	Abatement in Common Charges	61
ARTICLE 8 COMMON CHARGES		61
Section 8.1	Determination of Common Charges	61
Section 8.2	Budget Revisions	62
Section 8.3	Failure to Adopt	63
Section 8.4	Special Assessments	63
Section 8.5	Application of Net Receipts	63
Section 8.6	Budget Surplus and Budget Reconciliation	64
Section 8.7	Separate Fees and Charges	64
Section 8.8	Payment of Common Charges	65
Section 8.9	Lien	65
Section 8.10	Liability	65

Caption — Page

Section 8.11 Conveyance to Condominium Board ... 67
Section 8.12 Statement of Common Charges ... 67
Section 8.13 Collection and Remedies on Non-Payment of Common Charges ... 67
Section 8.14 Sales, Use or Occupancy Tax Exemptions ... 69

ARTICLE 9 PROPERTY TAXES AND CHARGES ... 69
Section 9.1 Real Estate Taxes ... 69
Section 9.2 Real Estate Tax Benefits ... 71
Section 9.3 Water Charges and Sewer Rent ... 72
Section 9.4 Board Certificate ... 72
Section 9.5 Vault Charges ... 73

ARTICLE 10 UTILITIES ... 73
Section 10.1 Electric and Gas Services to Units ... 73
Section 10.2 Electric and Gas Services to the Common Elements and the Residential and Storage Units ... 74
Section 10.3 Heat, Hot Water and Air Conditioning Services to Units and Common Elements ... 74

ARTICLE 11 USES AND OCCUPANCY OF PROPERTY AND ADJACENT SIDEWALKS AND VAULTS ... 75
Section 11.1 Declaration Governs ... 75
Section 11.2 Common Elements ... 75
Section 11.3 Units ... 77
Section 11.4 Building Walls and Immediately Adjacent Sidewalks ... 79
Section 11.5 Vaults ... 80
Section 11.6 General Prohibitions ... 80

ARTICLE 12 ROOFS ... 81
Section 12.1 Roofs ... 81
Section 12.2 Maintenance, Repair and Alteration ... 81

ARTICLE 13 FIRE SAFETY SYSTEMS ... 82
Section 13.1 Maintenance, Repairs and Alterations ... 82
Section 13.2 Changes ... 82

ARTICLE 14 GENERAL OPERATING MATTERS ... 83
Section 14.1 Compliance with Laws ... 83
Section 14.2 Indemnification ... 84
Section 14.3 Building Employees, Agents and Contractors ... 85
Section 14.4 Refuse Disposal System ... 86
Section 14.5 Rules and Regulations ... 87
Section 14.6 Interruption or Reduction in Services ... 87
Section 14.7 Records and Audits ... 88
Section 14.8 Tenants and Occupants of Units Entitled To Receive Building Services ... 90

ARTICLE 15 EXISTING LEASES ... 90
Section 15.1 Subordination ... 90
Section 15.2 Provision of Services ... 91

Caption		Page
ARTICLE 16 UNIT CONVEYANCES, SALES, LEASES AND MORTGAGES		91
Section 16.1	General	91
Section 16.2	Match Offer Right (or Right of First Refusal)	93
Section 16.3	Acceptance of Offer	95
Section 16.4	Failure to Accept Offer	98
Section 16.5	Transactions Exempt from Match Offer Right	99
Section 16.6	Certificate of Waiver or Exemption as to Match Offer Right	100
Section 16.7	No Severance of Ownership	101
Section 16.8	Payment of Common Charges	101
Section 16.9	Unit Owner's Power of Attorney	101
Section 16.10	Gifts and Devises, Etc.	102
Section 16.11	Charges Imposed on Non-Exempt Transactions	102
Section 16.12	Estoppel Certificate	103
Section 16.13	Registration of Mortgages	104
Section 16.14	Prohibition and Restriction on Mortgaging	104
Section 16.15	Notice of Unpaid Common Charges and Default	104
Section 16.16	Performance by Permitted Mortgagees	105
Section 16.17	Examination of Books	105
Section 16.18	Consent of Mortgagees; Designation of Mortgage Representatives	105
Section 16.19	Subordination	105
Section 16.20	Waiver of Rights of Partition, Use and Occupancy of Units Acquired By Board	106
Section 16.21	Registration of Tenants	106
Section 16.22	Notices to Registered Tenants	106
Section 16.23	Performance by Registered Tenants	107
ARTICLE 17 CERTAIN REMEDIES		107
Section 17.1	Self Help	107
Section 17.2	Abatement and Enjoinment	109
Section 17.3	Remedies Cumulative	110
ARTICLE 18 CONDEMNATION OR EMINENT DOMAIN		110
Section 18.1	Taking of Entire Property	110
Section 18.2	Taking of Units	110
Section 18.3	Taking of Portions of Common Elements	110
Section 18.4	Lien Priority	113
Section 18.5	Adjustment of Common Interests	113
Section 18.6	Abatement in Common Charges	113
ARTICLE 19 ARBITRATION		114
Section 19.1	Submission to Arbitration	114
Section 19.2	Notice of Arbitration	114
Section 19.3	Commercial Arbitration Rules	114
Section 19.4	Selection of Arbitrators	115
Section 19.5	Decision of Arbitrator(s); Binding Effect	116
Section 19.6	Expenses of Arbitration	116
Section 19.7	Limitation on Power of Arbitrator(s)	116
Section 19.8	Payment of Undisputed Sums	117

Caption		Page
ARTICLE 20 NOTICES		117
Section 20.1	General	117
Section 20.2	Waiver of Service of Notice	118
ARTICLE 21 FURTHER ASSURANCES		118
Section 21.1	Provisions of Declaration Apply and Govern	118
ARTICLE 22 AMENDMENTS TO BY-LAWS		118
Section 22.1	Provisions of Declaration Apply and Govern	118
ARTICLE 23 TERMINATION OF CONDOMINIUM		118
Section 23.1	Provisions of Declaration Apply and Govern	118
ARTICLE 24 GENERAL		119
Section 24.1	Inspection of Documents	119
Section 24.2	Changes and Waiver	119
Section 24.3	Conflicts	119
Section 24.4	Severability	119
Section 24.5	Successors and Assigns	119
Section 24.6	Table of Contents and Headings	120
Section 24.7	References	120
Section 24.8	Grammar	120
Section 24.9	Insurance Trustee	120
Section 24.10	Approvals or Consents	120
Section 24.11	Incorporation of Declaration	121
Rules and Regulations of 130 West 30th Street Condominium		120

BY-LAWS

OF

130 West 30th Street Condominium

ARTICLE 1

GENERAL

Section 1.1 **Purpose**

The purpose of these By-Laws is to set forth the requirements, rules and procedures concerning the governance and conduct of the affairs of the Condominium Association as well as certain rights and obligations of the Condominium Board and the Unit Owners, including the Disposition of the Property (including the Building and the Units) and the Association's Properties.

Section 1.2 **Location and Description**

The Condominium Declaration covers the Property, which consists of: (a) the Land, which lies in Block 805, Lots f/k/a Lot 81, and n/k/a Lots 1001 to 1065 on the Tax Map of the Real Property Assessment Department of The City of New York, Borough of Manhattan, County of New York, in the State of New York; (b) the Building, which includes the Units, certain of the Common Elements and all easements, rights and appurtenances belonging thereto; and (c) 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.

Section 1.3 **Definitions**

The words frequently used in these By-Laws (whether uppercase or lowercase) are defined in EXHIBIT C to the Declaration and apply wherever these words appear in these By-Laws, regardless of whether such words are bolded or expressly stated to be defined in such EXHIBIT C, unless the context in which such words are used shall otherwise require. The meanings stated for the words bolded within quotation marks in any provision of the Declaration or these By-Laws apply wherever these words appear in these By-Laws, unless the context in which they are used shall otherwise require.

Section 1.4 **Applicability of By-Laws**

These By-Laws are applicable to the Property and to the uses and occupancies thereof.

Section 1.5 **Application of By-Laws**

All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and Agents/Employees/Contractors, invitees 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 duly 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 or a portion 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 duly amended from time to time, are accepted, ratified and will be complied with.

Section 1.6 **Principal Office of the Condominium Association**

The principal office of the Condominium Association shall be located either at the Property or at such other place in the County of New York reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2

THE CONDOMINIUM BOARD

Section 2.1 **General**

The affairs of the Condominium Association and the Operation of the Property and the Association's Properties shall be governed by the Condominium Board as provided in Section 2.4 hereof and elsewhere herein and in the Declaration. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act on behalf, and shall be the agent, of all or (where otherwise expressly provided) certain of the Unit Owners.

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 Board**

2.4.1 General Powers and Duties. The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium Association and the Operation of the Property (including the Common Elements) and the Association's Properties, as agent of all or (where otherwise expressly provided) certain of the Unit Owners, and each Board Member shall act in the best interests of the Unit Owner or Unit Owners who elected such Board Member (i.e., all Sold Residential and Storage Unit Owners in the case of an Independent Board Member; the Sponsor and all Unsold Residential and Storage Unit Owners in the case of a Sponsor Board Member; or the Commercial Unit Owners in the case of a Commercial Board Member), with due regard to the Maintenance, preservation, protection and value of the Property as a whole and the security, safety and health of Owners and occupants of Units. The Condominium Board may do all such acts and things except those that by Law, or pursuant to the terms of the Declaration or these By-Laws, may not be, or are

expressly not, delegated to the Condominium Board by the Unit Owners. The Condominium Board shall exercise its powers and perform its duties in a manner consistent with the Operation and Maintenance of the Building as a first-class mixed-use building in the Borough of Manhattan with residential and permitted home occupation uses in the Residential Units, storage uses accessory to the Residential Units in the Storage Units, and retail and other lawful uses in the Commercial Units, other than Prohibited Uses.

2.4.2 Specific Powers and Duties. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(a) to lease, license, Maintain, Repair, Alter and otherwise Operate and make any other Disposition of the Common Elements and the Association's Properties, including any Units or other property or assets owned, leased or otherwise held or Operated by the Condominium Board or it nominee or designee, and in connection therewith to do the following as the Condominium Board shall deem necessary or proper: (a-1) purchase and lease supplies, Equipment and material; (a-2) employ or engage, compensate and dismiss Building personnel (including a visiting superintendent, subject and subordinate to Sponsor's veto rights during only the Sponsor Veto Control Period as provided in Section 2.5.8 below), a Managing Agent, attorneys, accountants, engineers, architects and other professionals and consultants; and (a-3) lease and grant licenses and easements for portions of the Common Elements and the Association's Properties;

(b) to acquire Units in accordance with Article 16 of the Declaration and Sections 8.11 and 8.13 of these By-Laws, to acquire and lease Units in accordance with Section 16.2 of these By-Laws, and generally to acquire and lease 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, Maintenance, Repair, Alteration and other Operation and Disposition of the Property and the Association's Properties as a condominium regime; each of such acquisitions and leases to be in the name of the Condominium Board or its designee, corporate or otherwise, as agent of the appropriate group of Unit Owners (e.g., as agent for only all Residential and Storage Unit Owners in the case of an acquisition of a Residential or Storage Unit) as provided in Article 16 of the Declaration and these By-Laws;

(c) to maintain complete and accurate books and records with respect to the finances and the Operation of the Condominium, including: (c-1) detailed accounts, in chronological order, of receipts and expenditures affecting the Property (including the Common Elements) and the Association's Properties; (c-2) detailed books of account of the Condominium Board; (c-3) other financial records, as well as other books of account of the Condominium Association, as may be required to be kept pursuant to the terms of these By-Laws; and (c-4) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(d) to prepare and adopt a Budget of Condominium Operation of the Property and the Condominium Association for each Budget Year (including therein a Budget of General Operation and a Budget of Residential Operation of the Condominium for each Budget Year thereof in accordance with Article 9 of the Declaration), setting forth, without limitation: (d-1) a detailed accounting of the anticipated General Common Expenses and Residential Common Expenses (as applicable) for the ensuing Budget Year; (d-2) a detailed projection of all sources and amounts of income and receipts necessary to discharge the same; and (d-3) such reserves for unanticipated expenses, contingencies, Alterations, additions improvements and capital replacements and Repairs as the Board may consider appropriate in its discretion, but subject to the veto rights of Sponsor during only the Sponsor Veto Control Period;

(e) to determine the amount and establish the means and methods of payment of, and to collect and institute appropriate Lawsuits for non-payment of, the Common Charges and Special Assessments from the Unit Owners or one (1) or more specified Unit Owners;

(f) to require all Unit Owners or only all Residential and Storage Unit Owners (as appropriate) to execute and deliver to the Condominium Board one or more promissory notes in favor of the Condominium Board in such form and substance (including, at such interest rate and other terms) as the Condominium Board shall determine, in connection with Special Assessments levied by the Condominium Board to pay for any duly authorized Repairs and Alterations to the Common Elements, or the Association's Properties (including any Unit or other property to be acquired, owned, leased or otherwise held or Operated by the Condominium Board, or its nominee or designee), provided that the expense for any such Repairs, Alterations or other Disposition shall be borne as provided in Article 9 of the Declaration and Articles 5 and 6 hereof (e.g., all such expenses shall be borne by only all Residential and Storage Unit Owners in the case of a Residential or Storage Unit so acquired, owned, leased, held or Operated by the Board, or its nominee or designee);

(g) to incur debt on behalf of only all Residential and Storage Unit Owners or all Unit Owners (as appropriate) in connection with the Maintenance, Repair, Alteration or other Operation or Disposition of the Common Elements or the Association's Properties (including real or personal property owned, leased or otherwise held or Operated by the Condominium Board or its nominee or designee) and to secure any debt incurred by it as provided in Section 339-jj(2) of the Condominium Act; provided, however, that: (g-1) no debt shall be incurred during only the Sponsor Veto Control Period without obtaining the prior written Discretionary Approval or Consent of Sponsor; (g-2) no lien to secure repayment of any debt may be created on any Unit or its appurtenant Common Interest (other than a Unit owned by the Board or its nominee or designee) without obtaining the prior written Discretionary Approval or Consent of the Owner of such Unit; (g-3) the liability of each such Unit Owner on whose behalf the debt is incurred shall be limited to the legal and equity interest of such Owner in its Unit and it appurtenant Common Interest, and if the debt shall not be fully repaid by the Board and such Unit Owner shall pay the lender such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest bears to the aggregate Common Interests appurtenant to all Units on whose behalf the debt is incurred, such Unit Owner shall be entitled to obtain from the lender a release of any judgment or other lien that the said lender shall have filed, or shall have the right to file, against such Owner's Unit, and the loan documentation shall so provide; and (g-4) the Commercial Unit Owners shall not be liable for repayment of any portion of a loan insofar as it relates or is attributable solely to the Residential Space or any Residential or Storage Unit acquired, purchased, owned, leased, held or Operated by the Board (or its nominee or designee) or any other real or personal property acquired, purchased, owned, leased, held or Operated by the Board for the common use, service or benefit of only the Residential and Storage Unit Owners, and the loan documentation shall so provide;

(h) to open and maintain bank accounts on behalf of the Condominium Association and to designate the signatories required therefor;

(i) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other assets and funds held by the Condominium Board or received in connection with the Operation of the Property and the Association's Properties, for the administration and Operation of the Condominium Association, the Common Elements and the Association's Properties, including: (i-1) the payment of Common Expenses; and (i-2) the Maintenance, Repair, Alteration and overall Operation and any other Disposition of the Common Elements and the Association's

Properties including any Units, property or assets owned, leased or otherwise held or Operated by the Condominium Board or its nominee or designee in accordance with the Declaration and these By-Laws; provided, however, that the General Common Charges collected from the Commercial Unit Owners as well as any income earned thereon and other assets and funds (if any) received by the Condominium Board in connection with the Operation and Disposition of the General Common Elements and the Association's General Properties shall be used for the payment of only the General Common Expenses;

(j) to obtain insurance for the Property, including the Units, pursuant to the terms of Article 6 hereof;

(k) to adjust and settle Claims under insurance policies obtained pursuant to the terms of Article 6 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf and as agent of: (k-1) all or certain Unit Owners (as applicable); (k-2) all holders of mortgages and other liens on such Units; and (k-3) all holders of any other interest in the Property or the Association's Properties; provided, however, the Commercial Unit Owners shall each have the right to adjust or settle any Claim for a loss to such Owner's Commercial Unit if such adjustment or settlement does not reduce any Claim or recovery of any other Unit Owner or the Condominium Board;

(l) to make, or to contract with others for the making of, Repairs, Alterations and other Dispositions of, or to, the Property or the Association's Properties 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 the Declaration and these By-Laws;

(m) to obtain and keep in force (as part of the General Common Expenses) fidelity bonds, in amounts deemed appropriate by the Condominium Board, but in no event less than the amount therefor set forth in the First Year's Budget (SCHEDULE B in Part I of the Plan), for: (m-1) all members of the Condominium Board; (m-2) all officers and employees of the Condominium Association; and (m-3) the Managing Agent;

(n) to accept the surrender of a Unit pursuant to the terms of Section 8.11 hereof, in the name of the Condominium Board or its nominee or designee, corporate or otherwise, and on behalf and as agent of the applicable Unit Owners (i.e., as agent for only all Residential and Storage Unit Owners if a Residential or Storage Unit is surrendered);

(o) to purchase or acquire a Unit at foreclosure or other judicial sale in connection with the foreclosure of the lien for unpaid Common Charges, or to so purchase or acquire title by deed in lieu of foreclosure, or to acquire a Unit by surrender, or to purchase, lease or otherwise acquire a Unit in accordance with Article 16 of these By-Laws or clause (b) above in the name of the Condominium Board or its nominee or designee, corporate or otherwise, on behalf and as agent of only the Owners of the same group of Units as the Unit which is the subject of such foreclosure, surrender, sale, acquisition or lease (i.e., all Residential and Storage Units, which are regarded as one (1) group of Units, in the case of a Residential or Storage Unit being so purchased or acquired or leased as provided or permitted in Article 16 of the Declaration or clause (b) above) and, in connection therewith, to borrow money on behalf of only those Unit Owners on whose behalf the Board is acting and to grant mortgages and other security interests and collateral in connection therewith in accordance and compliance with clause (g) hereinabove (including obtaining the prior written Discretionary Approval or Consent of Sponsor for any borrowing during only the Sponsor Veto Control Period);

(p) to sell, lease, mortgage, securitize, collateralize and otherwise deal with, and make any Disposition of, Units acquired by, and to sublease Units leased by, the Condominium Board or its

nominee or designee, corporate or otherwise, on behalf and as agent of only those Unit Owners on whose behalf the Condominium Board is acting, provided, however, that the Condominium Board or its nominee or designee shall in no event be entitled to vote the votes appurtenant to any such Unit and, provided, further, no debt shall be incurred without complying with clause (g) hereinabove;

(q) to adopt new and additional Rules and Regulations and to amend the Rules and Regulations from time to time (all without recording an Amendment to the Declaration or these By-Laws) and to adopt, impose, levy and collect charges, fees, interest and fines against Sold Unit Owners (but not against Unsold Unit Owners or Commercial Unit Owners) for violations of the same;

(r) to enforce by any legal means (including Lawsuits) the terms, covenants, conditions and provisions contained in the Condominium Documents and to bring, prosecute, defend and settle any Lawsuits that may be instituted on behalf of, or against, the Unit Owners pursuant to the Declaration, these By-Laws or the Condominium Act;

(s) to organize as a corporation, limited liability company or other Entity, to the extent and in the manner provided or permitted in the Condominium Act, provided, however, that: (s-1) the organizational documents of any such resulting corporation, limited liability company or other Entity shall conform as closely as practicable to the terms of the Declaration and these By-Laws; and (s-2) 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 organizational documents;

(t) to organize corporations, limited liability companies and other Entities to act as the nominees or designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real, personal or mixed property for use in connection with the ownership and Operation of the Property and the Association's Properties;

(u) to execute, acknowledge and deliver the following (unless expressly prohibited by the Declaration or these By-Laws to be executed and delivered by the Board): (u-1) any application, declaration, consent, document or other instrument (including any Government Document or Litigation Document) affecting all or part of the Property or the Association's Properties that the Condominium Board deems necessary or appropriate in accordance with the Declaration or these By-Laws or to comply with any Law, including a zoning resolution or requirement of any Governmental Authority, applicable to the Maintenance, Repair, Alteration or other Disposition of all or part of the Property or the Association's Properties; and (u-2) any agreement, application, document, consent, covenant, restriction, license, easement or declaration, or any Amendment thereto, affecting the Condominium Association, the Common Elements or the Association's Properties that the Condominium Board deems necessary or appropriate;

(v) to prepare, execute, acknowledge and record on behalf and as agent of all Unit Owners, in their name as attorney-in-fact, "coupled with an interest" and for valuable consideration, with full power of substitution: (v-1) Amendments to the Declaration to amend the Declaration and/or By-Laws whenever requested by a Unit Owner, to the extent required or permitted under the Declaration or these By-Laws; or (v-2) a restatement of the Declaration or these By-Laws, whenever, in the Condominium Board's judgment, it is advisable to consolidate and restate all Amendments, modifications, additions and deletions theretofore made to the same (subject, however, to compliance with the restrictions set forth in Article 22, Section 22.4 of the Declaration);

(w) to do the following act on behalf and as agent for one (1) or more Unit Owners (subject to the right of any Unit Owner to revoke such agency by written notice to the Condominium Board, provided such notice is received before the Condominium Board has commenced the applicable action):

(w-1) to protest, complain or apply to the appropriate taxing authority to correct the tax assessments of the Units for any year by filing a single complaint on behalf of all such Unit Owners;

(w-2) to commence and prosecute a special proceeding for the review of assessments of real property as an aggrieved person under the Real Property Tax Law;

(w-3) to seek administrative and judicial review of the tax assessments for any year;

(w-4) to negotiate and settle with the taxing authority the tax assessments and any resulting Lawsuit;

(w-5) to execute and acknowledge in the name of each Unit Owner for which it is acting on behalf and as agent, as such Unit Owner's attorney-in-fact, all applications, certifications, petitions, complaints, settlement agreements, releases and other documents in furtherance of the foregoing; and

(w-6) to retain legal counsel and other professionals and experts on behalf and as agent of the Unit Owners for whom it is so acting to represent such Unit Owners in connection with the foregoing;

(x) to do the following on behalf and as agent for all Unit Owners or (where appropriate) only the applicable group of Unit Owners where required or permitted in carrying out the duties imposed upon the Condominium Board under these By-Laws, and the Declaration or the Condominium Act:

(x-1) to commence and prosecute as well as defend Lawsuits;

(x-2) to seek administrative and judicial review;

(x-3) to negotiate and settle any such Lawsuits;

(x-4) to execute and acknowledge in the name of each Unit Owner for which it is acting as agent, as such Unit Owner's attorney-in-fact, all applications, certifications, petitions, complaints, answers, counterclaims, crossclaims, affidavits, motions, interrogatories, depositions, Litigation Documents, settlement agreements, releases and other documents in furtherance of the foregoing; and

(x-5) to retain legal counsel and other professionals on behalf and as agent of the Unit Owners for whom it is so acting to represent such Unit Owners in connection with the foregoing;

provided, however, that nothing herein will preclude a Unit Owner from commencing, defending and settling any Claim or Lawsuit affecting only such Unit Owner or such Owner's Unit, and provided further that all Costs and Expenses, awards, judgments and settlement payments incurred or collected in connection with any Claim or Lawsuit by

the Condominium Board as agent for Unit Owners shall be borne and shared only by those Unit Owners on whose behalf the Condominium Board is so acting;

(y) to control power shut-offs and other interruptions of the normal functioning of the Property, necessary to facilitate the performance of Work in or to particular Units and/or the Common Elements, which is permitted or required under the Declaration or these By-Laws; provided that the Condominium Board will make all reasonable efforts to minimize to the extent reasonably possible and practical any disruption in the Use and Enjoyment of Units;

(z) to invest any excess funds held by the Board in obligations of federal, state and local governments, certificates of deposit of Institutional Lenders, market instruments and funds which invest in any such obligations, and similar investment grade securities; and

(aa) generally, to carry out any and all other powers and duties granted or imposed upon the Condominium Board pursuant to the Declaration, these By-Laws and the Condominium Act.

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 Permitted Tenants/Occupants/ Invitees.

Section 2.5 **Delegation and Restrictions**

2.5.1 Right to Delegate. The power and duties of the Condominium Board under the Declaration, these By-Laws, the Condominium Act and other Laws shall be exercised and performed by the Condominium Board or shall be exercised and performed on its behalf and at its direction by the agents, employees, designees or nominees of the Condominium Board.

2.5.2 Executive Committee. The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise and perform, all of the powers and duties of the Condominium Board during the intervals between the meetings of the Condominium Board, subject to both the exceptions and limitations contained in subsection 2.5.6, and the restrictions set forth in subsection 2.5.7, of this Section 2.5 and such additional exceptions, limitations and restrictions as the Condominium Board may from time to time deem appropriate.

2.5.3 Other Committees. 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 exercise and perform such powers and duties as the Condominium Board shall direct, each of which committees shall have, and may exercise and perform, all of the powers and duties delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in subsection 2.5.6, and the restrictions in subsection 2.5.7, of this Section 2.5.

2.5.4 Sponsor Board Member and Commercial Board Member Requirement. So long as there is a Sponsor Board Member, the Executive Committee and each other committee appointed by the Residential Board Members shall consist of two (2) or more Residential Board Members at least one (1) of whom shall be a Sponsor Board Member, unless waived in writing by Sponsor or the Sponsor Board Member. In addition, the Executive Committee and each other committee that has responsibility for the Use and Enjoyment of the General Common Elements or for any decision requiring the consent or approval of both the Residential Unit Owners and the Commercial Unit Owners or both the Residential Board Members and the Commercial Board Members shall consist of at least one (1) Residential Board Member and one (1) Commercial Board Member.

2.5.5 Managing Agent and/or Manager. The Condominium Board may employ a Managing Agent and/or a manager to serve at a compensation to be negotiated by, and acceptable to, the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in subsection 2.5.6 and the restrictions in subsection 2.5.7 of this Section 2.5, the Condominium Board may delegate to such Managing Agent and/or a manager employed by it any of the delegable powers and duties granted to the Condominium Board in these By-Laws.

2.5.6 Non-Delegable Powers and Duties. Notwithstanding anything to the contrary contained in this Section 2.5, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise or perform, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subsections 2.4.2(b), (d), (e), (f), (g), (k) and (n) through (aa) hereof ("**non-delegable powers and duties**"). In addition, neither the Managing Agent, a manager nor any of the committees described in this Section 2.5 shall have, or be entitled to exercise or perform, any of the powers or duties that are expressly prohibited from being delegated under the Condominium Act or other Law (if any).

2.5.7 Exception. However, any and all of these non-delegable powers and duties and all other powers and duties of the Condominium Board may be delegated to a manager or other Person designated by the Board, under such terms and conditions as are approved and determined by the Condominium Board, in connection with a loan (secured or unsecured) obtained by the Condominium Board in accordance with its authority under these By-Laws as agent for all Residential and Storage Unit Owners or all Unit Owners (as applicable).

2.5.8 Sponsor Veto Control Period Restrictions. Notwithstanding anything to the contrary contained in these By-Laws, during only the Sponsor Veto Control Period (i.e., the period ending the *earlier* of: (a) the date that the Common Interests appurtenant to the Unsold Residential and Storage Units constitute less than 25% of the aggregate Common Interests appurtenant to all Residential and Storage Units; or (b) the fifth (5th) anniversary of the First Closing of a Residential Unit under the Plan), the Condominium Board and Unit Owners shall and must obtain Sponsor's prior written Discretionary Approval or Consent to do any of the following:

(a) to raise General Common Charges or Residential Common Charges or levy a Special Assessment for any of the following purposes:

(a-1) to make an Alteration to the General Common Elements or the Residential Limited Common Elements or the Association's General Properties or the Association's Residential Properties (the latter includes any Residential or Storage Unit owned, leased or otherwise held or Operated by the Condominium Board, or its nominee or designee);

(a-2) to create a fund for reserves for Repairs, Alterations, unanticipated expenses and/or contingencies which in the aggregate exceed five percent (5%) of the projected annual General Common Expenses or (5%) of the projected annual Residential Common Expenses (as applicable) for any Budget Year of Condominium Operation;

(a-3) to increase, decrease, eliminate or otherwise change the number, type, classification or working hours of the Building's service staff as set forth in the First Year's Budget (i.e., SCHEDULE B in Part I of the Plan);

(a-4) to increase, decrease or eliminate Building services by (for example) entering into contracts for new or additional services or Maintenance Work not included in said First

Year's Budget, or failing to provide any service or Maintenance contract set forth in such First Year's Budget, or otherwise; or

(a-5) to increase, decrease, eliminate or otherwise change the amounts or types of insurance coverage from those set forth in said First Year's Budget; or

(b) to borrow money on behalf of the Condominium.

2.5.9 Limit on Sponsor Veto Control Period Restrictions. Sponsor has the right to condition, delay, withhold or deny its consent without cause or explanation, and without liability for any Claims or Costs and Expenses or other recourse against Sponsor for conditioning, delaying, withholding or denying its consent. Nevertheless, Sponsor will give its approval or consent if the Costs and Expenses (as determined by Sponsor, in its sole and absolute judgment) of the proposed action requiring Sponsor's approval or consent, when added to all other budgeted Residential Common Expenses or General Common Expenses (as applicable), will not increase the Residential Common Charges or General Common Charges (as applicable), inclusive of any Special Assessments of the Condominium Board, for the Budget Year of the Condominium at issue, by more than 5% above the Residential Common Charges or General Common Charges (as applicable) for the immediately preceding Budget Year of the Condominium. In addition, Sponsor may not exercise veto control over expenses included in the First Year's Budget (i.e., SCHEDULE B in Part I of the Plan) or over expenses required: (a) to comply with applicable Laws; (b) to remedy a governmental notice or violation; or (c) to remedy a work order of an insurer of the Building.

2.5.10 Veto Control of Sponsor and Unsold Unit Owners. Sponsor's veto control, as set forth herein, may be exercised during only the Sponsor Veto Control Period and solely by Sponsor while Sponsor owns any Unsold Residential Unit. If Sponsor no longer owns any Unsold Residential Unit, each successor Unsold Residential Unit Owner will have the same right of veto control as Sponsor during only the Sponsor Veto Control Period. In the event of two (2) or more Unsold Residential Unit Owners, the required Discretionary Consent of only those Owners of Unsold Residential Units constituting a majority of the Common Interests of all Unsold Residential Units will suffice. Nothing contained herein will extend the Sponsor Veto Control Period.

Section 2.6 Number, Election, Composition and Qualification of Board Members

2.6.1 Initial Board. Until the first meeting of the Unit Owners following the First Closing of a Residential Unit under the Plan is held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of one (1) or more individuals to be appointed and designated from time to time exclusively by Sponsor.

2.6.2 First Elected Board. At such first meeting of Unit Owners and at all subsequent meetings of Unit Owners to elect the Condominium Board, the Board shall be composed of seven (7) Residential Board Members and two (2) Commercial Board Members, unless changed pursuant to Section 2.6.5 below. The Residential Board Members shall consist of a specified number of Independent Board Members and, for so long as there is at least one (1) Unsold Residential Unit, a specified number of Sponsor Board Members as provided in the following subsection 2.6.4.

The Independent Board Members shall be elected exclusively by all Sold and Unsold Residential and Storage Unit Owners, including Sponsor as Owner of any Unsold Residential and Storage Units. The Sponsor Board Members shall be appointed and designated exclusively by Sponsor for so long as Sponsor owns at least one (1) Unsold Residential Unit or (after Sponsor no long owns any Unsold Residential Unit) the Owner or Owners of a majority in Common Interest of Unsold Residential and Storage Units.

The Commercial Board Members shall be appointed and designated exclusively by the Owners of Commercial Units 1 and 2 (each such Owner is to exclusively appoint and designate one (1) Commercial Board Member).

The Residential Board Members shall represent the interests of the Sold and Unsold Residential and Storage Unit Owners on the Board and shall make all decisions and conduct all transactions on behalf of the Board that affect only the Residential Space or the Association's Residential Properties, and do not affect the Commercial Units, the General Common Elements, the Association's General Properties, General Common Expenses or the General Common Charges. Similarly, the Commercial Board Members shall represent the interests of the Commercial Unit Owners on the Board and shall make all decisions and conduct all transactions on behalf of the Board that affect only the Commercial Units and do not affect the Residential Space, the Common Elements, the Association's Properties, the Common Expenses or the Common Charges

2.6.3 Sponsor Voting Control of Board. Sponsor shall have the exclusive right to designate and appoint a majority of the Condominium Board (including a majority of the Residential Board Members) and thereby have "voting control" of the Condominium Board for five(5) years from the First Closing of a Residential Unit or whenever the Unsold Residential and Storage Units constitute less than fifty percent (50%) in number and Common Interest of all Residential and Storage Units, whichever is sooner ("**Sponsor Board Control Period**"). After the end of the Sponsor Board Period, Sponsor will no longer have the right to nominate candidates to serve as the Independent Board Members (who will then constitute a majority of the Board Members) and thus Sponsor shall not thereafter exercise voting control of the Board. Sponsor, however, will continue to have the right, for as long as there is at least one (1) Unsold Residential Unit, to vote for all Independent Board Members and to exclusively designate and appoint a specified number of Sponsor Board Members, who will constitute a minority of the Residential Board Members (see subsection 2.6.4 below for composition of Board).

2.6.4 Composition, Nomination and Voting Rules for Residential Board Members. From and after the first meeting of Unit Owners following the First Closing of a Residential Unit, the Condominium Board shall consist of seven (7) Residential Board Members and two (2) Commercial Board Members. The composition of the Residential Board Members shall be as follows:

(a) at all elections held during only the Sponsor Board Control Period, the Residential Board Members shall consist of five (5) Sponsor Board Members and two (2) Independent Board Members; and

(b) at all elections held after the end of the Sponsor Board Control Period, the Residential Board Members shall consist of the following: (b-1) for so long as the Unsold Residential and Storage Units equal in the aggregate twenty percent (20%) or more in number and Common Interest of all Residential and Storage Units ("**20% Threshold**"), the Residential Board Members shall comprise five (5) Independent Board Members and two (2) Sponsor Board Members; or (b-2) for so long as the Unsold Residential and Storage Units equal in the aggregate less than said 20% Threshold, but not less than one (1) Unsold Residential Unit, the Residential Board Members shall comprise six (6) Independent Board Members and one (1) Sponsor Board Member.

After all Unsold Residential Units are sold and conveyed, the seven (7) Residential Board Members shall all be Independent Board Members.

The following rules shall govern the nomination and voting for the election of the Independent Board Members by the Unsold Residential and Storage Unit Owners (including Sponsor):

(a) at all elections held during only the Sponsor Board Control Period, there is no restriction or limitation on the nomination and voting rights of Sponsor and other Unsold Residential and Storage Unit Owners and they may both nominate and vote to elect any qualified candidates to serve as the Independent Board Members; and

(b) at all elections held after the end of the Sponsor Board Control Period, Sponsor and other Owners (if any) of Unsold Residential and Storage Units shall have the following rights: (b-1) they shall continue to have the right to vote (*without restriction or limitation*) for any and all candidates nominated to serve as Independent Board Members; but (b-2) they may NOT nominate any candidates to serve as Independent Board Members.

The foregoing restriction limiting Sponsor's nomination rights after the end of the Sponsor Board Contract Period applies only to nominating candidates to serve as Independent Board Members and does not apply to the Sponsor Board Members to be appointed and designated exclusively by Sponsor as aforesaid or the Commercial Board Members to be appointed and designated exclusively by the Owners of Commercial Units 1 and 2, including Sponsor.

2.6.5 Change in Number. The number of Board Members may be increased or decreased by vote of a majority in number and Common Interest of Unit Owners, but only on the following terms and conditions:

(a) Sponsor (or, after Sponsor no longer owns any Unsold Unit, all Owners of Unsold Units) must consent in writing to the proposed change so long as there is any Unsold Unit;

(b) the vote may be taken at any annual or special meeting of Unit Owners, except that the vote must be taken at an annual meeting to decrease the number below those then in office;

(c) (in the event the number of Board Members is decreased) such decrease may only affect those Board Members whose terms are expiring at the annual meeting, but in no event shall the decrease affect the exclusive right of Sponsor to designate and appoint the number of Sponsor Board Members set forth in these By-Laws or the exclusive right of the Owners of Commercial Units 1 and 2 to appoint and designate two (2) Commercial Board Members;

(d) (in the case of an increase) the number of Board Members to be appointed and designated exclusively by each of Sponsor and the Owners of Commercial Units 1 and 2 will increase proportionately so as to maintain the same proportional Board representation for the Sponsor Board Members and the Commercial Board Members as existed at the election of the first Condominium Board by the Unit Owners after the First Closing of a Residential Unit (any fraction will be rounded up to the next whole number); and

(e) no change in the number of Residential Board Members shall affect, abridge or otherwise impair: (e-1) the voting control of the Sponsor Board Members over the Condominium Board and the Residential Board Members at all elections held during the Sponsor Board Control Period; or (e-2) the voting control of the Independent Board Members over the Condominium Board and the Residential Board Members at all elections held after the end of the Sponsor Board Control Period.

2.6.6 Qualification. Each Board Member shall be at least 18 years old, but need not be a Unit Owner. Each Independent Board Member shall be either a Sold Residential Unit Owner (including a Sponsor Related Party who acquires a Sold Residential Unit for the bona fide use and occupancy of such Sponsor Related Party or the Sponsor Related Party's family) or any of the following (each, a "**Sold Residential Unit Owner Affiliate**"): (a) a Sold Residential Unit mortgage lender;

(b) an officer, director, shareholder, partner, member, principal, employee, trustee, executor, administrator or beneficiary of a corporation, partnership, company, trust, estate or other Entity that owns a Sold Residential Unit or is a Sold Residential Unit mortgage lender; (c) an individual designated by a sovereign government, consulate or other governmental instrumentality that owns a Sold Residential Unit; (d) a permitted non-paying occupant of a Sold Residential Unit; or (e) an adult member of the immediate family of a Sold Residential Unit Owner or any of the foregoing. In addition, at all elections held after the end of the Sponsor Board Control Period, to assure the creation of a fully viable Condominium, a majority of the Condominium Board Members must be Owner-occupants or "Owner-related occupants" (defined below) of the Building who are unrelated to Sponsor or its principals. "**Owner-related occupants**" are the occupants of a Residential Unit who are a member of the Owner's family or an officer, director, shareholder, member, partner, trustee, executor, administrator, guardian, legal representative, beneficiary, government official, or employee of a corporation, limited liability company, partnership, trust, sovereign government, consulate or other Entity which owns the Unit, or a member of the family of any of the foregoing.

There are no requirements to qualify as a Sponsor Board Member or a Commercial Board Member. Sponsor (or after Sponsor no longer owns any Unsold Residential Unit, other Unsold Residential Unit Owners) shall have the exclusive right to appoint and designate anyone (regardless of relationship or lack of relationship) to serve as a Sponsor Board Member and the Owners of Commercial Units 1 and 2 shall each have the exclusive right to appoint and designate anyone to serve as a Commercial Board Member.

2.6.7 Ineligibility. If the Condominium Board perfects a lien against a Sold Unit for unpaid Common Charges, the following shall apply until the lien is paid or discharged by bonding or otherwise: (a) the Owner of such Sold Unit may not nominate or vote for the election of Board Members; (b) such Owner and (in the case only of a Sold Residential Unit) such Owner's Sold Residential Unit Owner Affiliate shall not be an eligible candidate in an election of an Independent Board Member; and (c) if such Residential Unit Owner or Sold Residential Unit Owner Affiliate is then serving as an Independent Board Member, such Board membership by such Owner or said Owner's Sold Residential Unit Owner Affiliate (as applicable) shall immediately be suspended upon perfection of the lien and such Board Membership shall automatically cease thirty (30) days thereafter unless the lien is paid or discharged by bond or otherwise during such thirty (30) day period.

In addition, Board membership by a Sold Residential Unit Owner or a Sold Residential Unit Owner Affiliate (as applicable) shall automatically end when: (a) (in the case of a Sold Residential Unit Owner) such Owner no longer owns a Sold Residential Unit; or (b) (in the case of a Sold Residential Unit Owner Affiliate) such Affiliate no longer qualifies as a Sold Residential Unit Owner Affiliate.

Section 2.7 **Term of Office of Board Members**

The initial Board Member designated by Sponsor will serve at the pleasure of Sponsor and until the first meeting of Unit Owners following the First Closing of a Residential Unit under the Plan when the new nine (9) Board Members are qualified and elected (as to the Independent Board Member) or appointed and designated (as to the Sponsor Board Members and Commercial Board Members). All Board Members elected at and after said first meeting of Unit Owners will serve for a term of three (3) years, except that the term of the first nine (9) member Board shall initially be staggered so that one (1) Residential Board Member will serve for one (1) year, three (3) other Residential Board Members will serve for two (2) years, and three (3) other Residential Board Members will serve for three (3) years. Thereafter, their successors shall serve for a term of three (3) years. The Residential Board Members receiving the highest number of votes will serve for the longest term, except that the Sponsor Board Members appointed and designated to such first nine (9) member Board shall serve for the shortest term. There is no limit on the number of terms, successive or otherwise, a Board Member may serve.

Each annual meeting of Unit Owners is to be held within approximately thirty (30) calendar days of the anniversary of the previous annual meeting of Unit Owners, subject to the right of the Condominium Board (in its sole and absolute discretion) to change the date of such annual meeting to be held within approximately sixty (60) days after the issuance of the Condominium's financial statements for the immediately preceding year for financial reporting.

Section 2.8 **Removal and Resignation of Board Members**

2.8.1 Removal. An Independent Board Member may be removed "with" or "without" cause only by a vote of a majority in number and Common Interest of Owners of Sold and Unsold Residential and Storage Units cast at a duly constituted meeting of Unit Owners at which a quorum is present. A Sponsor Board Member and a Commercial Board Member may be removed for dishonesty or other "good cause" by vote of a majority in number and Common Interest of all Unit Owners, cast at a duly constituted meeting of Unit Owners at which a quorum is present. In determining such majority vote, the Units and Common Interests owned by: (a) the Condominium Board or its nominee as designee; and (b) the Board Member to be removed, or a Related Party to such Board Member, shall be excluded from the count of the base number of Unit Owners and Common Interests for quorum and voting purposes. The Condominium Board and its nominee or designee shall have no voting rights with respect to any Units owned by each of them and the Board Member or the Related Party to such Board Member to be removed shall not have the right to vote on the issue of such Board Member's removal. Any Board Member who is to be removed for "cause" or "good cause" shall be given a written explanation of the basis of removal at least seven (7) business days in advance of the meeting of Unit Owners and a reasonable opportunity to be heard at the meeting before the vote is taken.

A Sponsor Board Member serves at the will of Sponsor or the Unsold Unit Owner who appointed and designated such Board Member (as applicable) and may be removed "without" cause by only Sponsor or said Unsold Unit Owner (as applicable). Each Commercial Board Member serves at the will of the Commercial Unit Owner who appointed and designated such Board Member and may be removed "without" cause by only such Commercial Unit Owner.

2.8.2 Resignation. A Board Member may resign at any time by giving written notice to the following: (a) in the case of a resignation by an Independent Board Member: the resignation shall be given to any of the remaining Residential Board Members; or (b) in the case of a resignation by a Sponsor Board Member: the resignation shall be given to the Sponsor or appropriate Unsold Residential Unit Owner who appointed and designated such Board Member (as applicable); or (c) in the case of a resignation by a Commercial Board Member: the resignation shall be given to the Commercial Unit Owner who apportioned and designated such Board Member.

In addition, an Independent Board Member who shall cease to be qualified for membership pursuant to the terms of Section 2.6.7 hereof shall be deemed to have resigned as a Board Member effective as of the date upon which such qualification shall cease.

Section 2.9 **Vacancies**

2.9.1 Replacement. A vacancy on the Condominium Board resulting from removal, resignation, death, incompetency, incapacity or other cessation of Board membership will be filled as follows:

(a) in the case of a vacancy by an Independent Board Member: such vacancy shall be filled exclusively by a majority of the remaining Residential Board Member(s) at a special meeting of the Board or (if none) the vacancy shall be filled by vote of Sold and Unsold Residential and Storage Unit Owners at a special meeting called for such purpose or at the next annual meeting of Unit Owners; or

(b) in the case of a vacancy by a Sponsor Board Member: such vacancy shall be filled exclusively by Sponsor or the appropriate Unsold Residential Unit Owner who originally appointed and designated the vacating Sponsor Board Member (as applicable); or

(c) in the case of a vacancy by a Commercial Board Member: such vacancy shall be filled exclusively by the Commercial Unit Owner who appointed and designed such Board Member.

2.9.2 Pre-emption. However, in the case of a removal of an Independent Board Member by the Owners of the Sold and Unsold Residential and Storage Units, such Owners shall have the right to pre-empt the Independent Board Member(s) and elect the replacement at the same meeting the removal is voted upon or at a subsequent special or annual meeting of Unit Owners called for such purpose.

2.9.3 Term. The person elected (in the case of Independent Board Member) or appointed and designated (in the case of a Sponsor Board Member or a Commercial Board Member) to fill the vacancy will serve as a member of the Condominium Board for the remainder of the term of the Board Member being replaced.

2.9.4 Special Board Meeting. A special meeting of the remaining Residential Board Members shall be held for the purpose of filling a vacancy of an Independent Board Member 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. Sponsor or the appropriate Unsold Residential Unit Owner (as applicable) who originally appointed and designated such vacating Sponsor Board Member will fill such vacancy, and the applicable Commercial Unit Owner who appointed and designated a vacating Commercial Board Member will fill such the vacancy, by written notice to the other Board Members or to the President, Vice President or Secretary of the Condominium Association.

Section 2.10 **Organizational Meeting of the Condominium Board**

The first meeting of each Condominium Board elected annually by the Unit Owners at meetings held from and after the First Closing of a Residential Unit under the Plan shall be held immediately after each such annual meeting of Unit Owners and no notice of such Board meeting shall be necessary to the newly elected Board Members in order to legally constitute the meeting, provided a quorum shall be present. Alternatively, such first Board meeting may convene at such place, date and time as shall be fixed by a majority of the Board Members present at said annual meeting of Unit Owners, even though less than a quorum shall be present. In such case, written notice thereof shall be given to all Board Members by hand delivery, mail, telecopier (with electronic confirmation of transmission) or telegram at least five (5) business days prior to the date set for the first Board meeting. In any event, however, such first meeting of the Board shall be held within approximately thirty (30) calendar days following said election by the Unit Owners.

Section 2.11 **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 Board Members; provided, however, that at least four (4) such meetings of the Condominium Board shall be held during each Budget Year. Written notice of all regular meetings of the Condominium Board shall be given to each applicable Board Member by hand delivery, mail, overnight mail, telecopier (with electronic confirmation of transmission) or telegram at least five (5) business days prior to the day named for such meeting.

The Residential Board Members or Commercial Board Members may hold separate meetings, without notice to the other, for the discussion and transaction only of such business that is to be decided solely by such Residential Board Members or Commercial Board Members, respectively, pursuant to these By-Laws or the Declaration and does not involve the General Common Elements, the Association's General Properties the General Common Expenses, the General Common Charges or all or a portion of both the Residential Space and the Commercial Units, and does not require the Reasonable or Discretionary Approval or Consent of the other Board Members.

Section 2.12 **Special Meetings of the Condominium Board**

The President may call a special meeting of the Condominium Board or only the Residential Board Members whenever determined by the President to be necessary or desirable. Upon the written request of two (2) or more Board Members, the President shall call a special meeting of the Board or only the Residential Board Members (as applicable) to be held within ten (10) business days after such written request is given. Written notice of all special meetings shall be given to each applicable Board Member at least two (2) business days (if sent by hand delivery, telecopier (with electronic confirmation of transmission) or telegram, or at least five (5) business days (if sent by mail), prior to the day fixed for such meeting, which notice shall state the date, time, place and purpose of the meeting.

Section 2.13 **Waiver of Notice of Meetings**

Any Board Member may, at any time, waive notice of any meeting of the Board or the Residential Board Members (as applicable) or any committee of either thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Board Member at any such meeting or any such committee shall constitute a waiver by such Board Member of notice of the time and place thereof. However, if all of the applicable Board Members or committee members are present at any said meeting of the Board or any said committee, respectively, no notice of such meeting shall be required and any business authorized pursuant to these By-Laws may be transacted at such meeting.

Section 2.14 **Quorum of the Condominium Board**

2.14.1 Quorum. A quorum of the Condominium Board or the Residential Board Members (as applicable) is required to be present at a Board meeting in order to make any determination or to transact any business. Alternatively, such determination or transaction may be made without such meeting if all Board Members or all Residential Board Members (as applicable) consent in writing to the determination or transaction. To constitute a quorum of the Board or Residential Board Members (as applicable) for such meeting, the following number of Board Members shall be present at the meeting:

(a) attendance (in person or by telephone) of a majority of the Residential and Commercial Board Members will be required for any business relating solely to one or more of the following: (a-1) the General Common Elements; (a-2) the Association's General Properties; (a-3) the General Common Expenses; (a-4) the General Common Charges; (a-5) all or a portion of both the Residential Space and the Commercial Units; or (a-6) any other matter involving the affairs of the entire Property or the whole Condominium Association;

(b) attendance (in person or by telephone) of a majority of the Residential Board Members (without attendance by any Commercial Board Members) will be required for any business relating solely to one (1) or more of the following: (b-1) the Residential Common Expenses; (b-2) the Residential Common Charges; (b-3) all or a portion of the Residential Space; (b-4) the Association's Residential Properties; or (b-5) any other matter involving the affairs of only the Residential Space; or

(c) attendance of only the Commercial Board Members (without attendance by any Residential Board Members) will be required for any business relating solely to all or a portion of the Commercial Units.

2.14.2 Attendance Requirements. Attendance at a meeting of the Condominium Board, Residential Board Members or any committee of either thereof shall be in person or by conference telephone or other communication's equipment permitting all individuals participating in the meeting to hear or otherwise effectively communicate with each other at the same time, and such participation shall constitute presence at such meeting for all purposes. In addition, a Sponsor Board Member (but not an Independent Board Member) or a Commercial Board Member shall be permitted to attend such Board or committee meeting by proxy, provided the proxy is signed by: (a) (in the case of a Sponsor Board Member) Sponsor or the Unsold Residential Unit Owner (as applicable) who appointed and designated such Sponsor Board Member; or (b) (in the case of the Commercial Board Member) the applicable Commercial Unit Owner who appointed and designated such Commercial Board Member.

2.14.3 Adjournment. If, at any meeting of the Condominium Board or Residential Board Members (as applicable) there shall be less than a quorum present, a majority of the Board Members or Residential Board Members (as applicable) 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 2.15 **Conduct of Meetings**

2.15.1 Presiding Officer. 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.

2.15.2 Robert's Rules of Order. Unless in conflict with the terms of the Declaration, these By-Laws or the Condominium Act, each meeting of the Condominium Board shall be conducted in accordance with 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 Board Members attending the meeting.

Section 2.16 **Decisions by the Condominium Board**

Subject and subordinate to subsection 2.5.8 above and except as otherwise expressly provided in the Declaration or these By-Laws:

(a) a majority of those Residential and Commercial Board Members attending a duly constituted meeting of the Board at which a quorum is present shall decide all matters on behalf of the Board relating solely to one (1) or more of the following: (a-1) the General Common Elements; (a-2) the Association's General Properties; (a-3) the General Common Expenses; (a-4) the General Common Charges; (a-5) all or a portion of both the Residential Space and the Commercial Units; or (a-6) any other matter involving the affairs of the entire Property or the whole Condominium Association;

(b) a majority of those Residential Board Members attending a duly constituted meeting of the Residential Board Members at which a quorum is present shall decide all matters on behalf of the Board relating solely to one (1) or more of the following: (b-1) the Residential Common Expenses; (b-2) the Residential Common Charges; (b-3) all or a portion of the Residential Space;

(b-4) the Association's Residential Properties; or (b-5) any other matter involving the affairs of only the Residential Space; and

(c) (if the same Person owns Commercial Units 1 and 2) either Commercial Board Member shall decide all matters on behalf of the Board (without the necessity of a Board meeting) relating solely to the Commercial Units.

Alternatively, any decision that is required or permitted to be made by the applicable Board Members may be made without a meeting thereof if all of such applicable Board Members shall individually or collectively consent in writing to such decision. All such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Each Board Member shall have one (1) vote on all matters and transactions to be determined and voted upon by the Condominium Board. Similarly each Residential Board Member (including a Sponsor Board Member and an Independent Board Member) shall have one (1) vote on all matters and transactions to be determined and voted upon by the Residential Board Members.

Section 2.17 **Compensation of Members**

No member of the Condominium Board or any committee thereof shall receive any compensation from the Condominium for acting as such.

Section 2.18 **Standards for Fiduciary Responsibility and Self-Dealing**

2.18.1 General Standard. All powers and duties shall be exercised and performed by each Board Member and officer, in good faith and with a view to the interests of the Unit Owners or Unit Owner who elected such Board Member, but with due regard to the Maintenance, preservation, protection and value of the Property as a whole and the security, safety and health of Owners and occupants of Units.

2.18.2 Interested Party Transactions. The Condominium Board may contract or effect any other transaction with any member or officer of the Board or any Unit Owner, or Related Parties to any of the foregoing (collectively, "**Interested Party**"), without the Condominium Board or such Interested Party incurring any liability for self-dealing, provided that the terms of such contract or other transaction, including any compensation paid in respect thereof, shall be on no less favorable terms than those commercially reasonable and at competitive rates at the time such contract or transaction is entered into and reasonable evidence or documentation thereof is given to the Board ("**commercial reasonableness standard**").

2.18.3 Disclosure. No contract or other transaction between the Condominium Board and an Interested Party, shall be deemed either void or voidable because of the interest (pecuniary or otherwise) therein of such Interested Party or the presence of such Interested Party at the meeting or meetings of the Board during which such contract or transaction was discussed, authorized, approved or ratified; provided, however, that the contract or transaction shall meet the commercial reasonableness standard at the time that the same is authorized, approved, ratified, executed or otherwise consummated and either:

(a) the terms of the contract and/or transaction are disclosed to all Board Members or only all Residential Board Members (as appropriate), or the fact thereof is disclosed to, or known by, a majority of the Board Members or only a majority of the Residential Board Members (as appropriate) or noted in the minutes thereof, and a majority of such applicable Board Members

having a majority of the votes shall authorize, approve or ratify such contract or transaction in good faith, less the number of votes of such interested Board Members; or

(b) the fact thereof is disclosed to, or known by, a majority in number and Common Interest of the Unit Owners affected thereby, excluding any Unit Owner who or whose Related Party also has an interest in such contract or transaction, and a majority in number and Common Interest of such affected Unit Owners, excluding any such interested Unit Owner, shall authorize, approve or ratify such contract or transaction.

2.18.4 Quorum. The votes of any such interested Board Member may be counted in determining the presence of a quorum of any meeting of the Board that authorizes, approves or ratifies any such contract or transaction, but no such Board Member shall be entitled to vote thereat to authorize, approve or ratify such contract or transaction.

Section 2.19 **Liability of the Condominium Board**

2.19.1 Standard for Liability. The members of the Condominium Board shall have no liability to the Unit Owners for errors of judgment, negligence or otherwise, except that each member of the Condominium Board shall be liable thereto for such member's own bad faith or willful misconduct.

2.19.2 Interested Party Transactions. In connection therewith, a Board Member (including a Sponsor Board Member) shall not be deemed either to have acted in bad faith or to have committed willful misconduct by reason of any self-dealing in connection with any contract made, or other transaction entered into, between the Condominium Board and such Board Member or a Related Party to such Board Member or to Sponsor or a Related Party to Sponsor in the case of Sponsor Board Members (collectively, "**Interested Board Party**"), provided that any compensation paid, or to be paid, to such Interested Board Party in connection with any such contract or transaction is either:

(a) disclosed to all applicable Board Members authorized to make such contract or act on such transaction (e.g., only the Residential Board Members in the case of a contact or transaction involving only the Residential Space); or

(b) is in accordance with the commercial reasonableness standard for goods sold or services rendered in the Borough of Manhattan, County and State of New York, and (if such compensation is part of the General Common Expenses or Residential Common Expenses) is approved by majority of the Board Members or majority of the Residential Board Members, respectively, who are not an Interested Board Party; or

(c) is disclosed in the Plan or a Plan Amendment.

The foregoing shall not apply to any contract or transaction that affects only the Commercial Units and is approved by a majority in number and Common Interest of the Commercial Unit Owners, provided such relationship is known by the Commercial Unit Owners.

2.19.3 Immunity. The Board Members and the agents (including a Managing Agent and/or manager) of the Condominium Board shall have no personal liability for merely having acted in such capacity. Such immunity from personal liability shall apply to all transactions of the Board authorized in these By-Laws or the Declaration, including each and every contract made, and other document executed, by or on behalf of the Condominium Board in accordance with these By-Laws or the Declaration, and each such contract or other document shall so provide (however, the failure to so provide shall not, and shall not be construed to, in any way affect, change or waive such immunity from personal

liability). Such contract or document shall be regarded as being made or executed by or on behalf of the Board as agent of all Unit Owners or only the Residential and Storage Unit Owners (as applicable) and the liability thereunder of a Board Member shall be to the extent only that such Board Member is a Unit Owner and then only as limited in Section 4.12 hereof.

2.19.4 Service Interruptions and Force Majeure. Neither the Condominium Board nor any Board Member (in such capacity as a Board Member) shall be liable for any Claims or Liabilities and Expenses for either:

(a) 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; or

(b) any injury, loss, or damage to any individual or property, occurring in or upon either a Unit or the Common Elements and either: (b-1) caused by Force Majeure, by any Unit Owner or by any other Person; (b-2) resulting from electricity, water, snow or ice, including water that may leak or flow from a Unit (including its appurtenant Terrace or Planting Terrace, if any), its appurtenant Limited Common Element (if established) or any portion of the Common Elements; or (b-3) arising out of theft or otherwise.

2.19.5 Indemnity. The applicable Unit Owners on whose behalf the Condominium Board acted (the Residential and Storage Unit Owners always being regarded as one (1) group of Unit Owners) shall jointly, or the applicable Unit Owner on whose individual behalf the Board acted shall individually, indemnify each and every member of the Condominium Board from and against any and all Claims and Liabilities and Expenses to others arising from such Board Member's acts or omissions as, or by reason of the fact that such individual is or was, a member of the Condominium Board, except, however no Board Member shall be indemnified, if and to the extent that such Claims or Liabilities and Expenses shall be due to, or shall arise out, of the bad faith or willful misconduct of such Board Member. Accordingly, the Sponsor Board Member(s) or the Commercial Board Members shall not be indemnified by the Sold Residential and Storage Unit Owners if and to the extent that the Claims or Liabilities and Expenses arose solely from a decision or transaction made alone by the Sponsor Board Member(s) or Commercial Board Members which affect only the Unsold Residential and Storage Units or the Commercial Units, respectively, and do not affect the Condominium Association, the Common Elements, the Association's Properties, the Common Expenses or the Common Charges. Similarly, a Commercial Unit Owner shall not be required to provide such indemnity if and to the extent that the Claims or Liabilities and Expenses arose solely from a decision or transaction made alone by the Residential Board Members which affect only the Residential Space and do not affect the entire Condominium Association, those General Common Elements or the Association's General Properties that actually serve or are actually utilized by such Commercial Unit Owner or those General Common Expenses fairly and properly attributable to such Commercial Unit Owner.

Section 2.20 **Transactions by Declarant in Lieu of Condominium Board**

Until the first Condominium Board is elected by the Unit Owners following the First Closing of a Residential Unit, all business to be transacted by the Condominium Board, including all decisions to be made and actions to be taken, may be transacted, made and taken by Declarant (as the initial Owner of all Units) in lieu of the Board with the same validity, force and effect as though same had been done by the Board.

ARTICLE 3

OFFICERS

Section 3.1 **General**

3.1.1 Election. The principal officers of the Condominium Association shall consist of a President, Vice President, Secretary and Treasurer, each of whom shall be elected by a majority of those Board Members attending a duly constituted Board meeting at which a quorum is present. In addition, the Sponsor Board Member(s) and the Commercial Board Members shall each exclusively elect a co-Vice President and an Assistant Secretary. The Condominium Board shall also have the power to elect such other officers and assistant officers as it deem appropriate.

3.1.2 Powers and Duties. Generally, the officers will have all of the same powers and duties of the equivalent officer of a stock corporation organized under the Business Corporation Law of the State of New York ("**BCL**"). Assistant officers, in order of their seniority or in any other order determined by the applicable Board Members shall, in the absence or disability of the applicable principal officer, as the case may be, perform the duties and exercise the powers of the applicable principal officer, and shall perform such other duties as the applicable Board Members or the applicable principal officer shall prescribe, except that the officers elected exclusively by each the Sponsor Board Member(s) and the Commercial Board Members shall exercise such powers and perform such duties as the Sponsor Board Member(s) or the Commercial Board Members, respectively, shall prescribe, even though the President and Secretary shall not be absent or disabled, and except further that the officers elected exclusively by: (a) the Sponsor Board Members may act only in connection with the Operation and affairs of the Unsold Residential and Storage Units; and (b) the Commercial Board Members may act only in connection with the Operation and affairs of the Commercial Units.

3.1.3 Execution of Documents. Unless otherwise expressly provided elsewhere in these By-Laws or the Declaration or required by Law, all agreements, contracts, deeds, mortgages, leases, checks and other instruments and documents of the Condominium or Condominium Board shall be executed, upon the direction of the applicable Board Members, who elected such officers, by any two (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 said applicable Board Members who elected such officers.

3.1.4 Authorization. The applicable Board Members may, by resolution passed in accordance with the provisions hereof, authorize any officer to execute and deliver on behalf of the Board documents or other instruments necessary or desirable to the performance of its duties and obligations hereunder. Each of the principal officers (i.e., the President, Vice President, each co-Vice President, Secretary, each Assistant Secretary and Treasurer) are authorized to execute and deliver estoppel certificates regarding the payment of Common Charges or other matters related to a Residential Unit or Storage Unit or a Commercial Unit or its Owner to a Registered Mortgagee or a purchaser or tenant of an Owner's Unit or other parties reasonably entitled to such information.

Section 3.2 **President**

The President shall be the chief executive officer of the Condominium Association and shall preside at meetings of all Unit Owners and of the Residential Board Members. 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 BCL, including the power to appoint the members of all committees created by the

Board or the Residential Board Members from among the Unit Owners, and other Persons, subject to compliance with subsection 2.5.4 above.

Section 3.3 **Vice President and Co-Vice Presidents**

The Vice President elected by the Board shall take the place of the President and exercise and perform such President's powers and duties whenever same shall be absent or unable to act. Each co-Vice President elected exclusively by the Sponsor Board Member(s) or the Commercial Board Members, shall have all of the general powers and duties that are incident to the office of vice president of a stock corporation organized under the BCL. If the President and the Vice President or a co-Vice President are unable to act, the applicable Board Member(s) who elected such officers shall appoint some other member of the Condominium Board (in the case of the President) or other individual (in the case of the Vice President or a co-Vice President) to act in the place of such absent or incapacitated officer on an interim basis. The Vice President shall also perform such other powers and duties as shall be required from time to time by the Condominium Board or the President (as applicable). The co-Vice President elected exclusively by the Sponsor Board Member(s) and the co-Vice President elected exclusively by the Commercial Board Members shall also perform such other powers and duties as shall be required from time to time by the Sponsor Board Member(s) or the Commercial Board Members, respectively, but shall act in connection with only the Operation and affairs of the Unsold Residential and Storage Units or the Commercial Units, respectively.

Section 3.4 **Secretary and Assistant Secretaries**

The Secretary shall keep the minutes of all meetings of the Unit Owners, the Residential and Commercial Board Members and only the Residential Board Members. The Secretary shall have charge of such books and papers as the Residential and Commercial Board Members or only the Residential Board Members (as applicable) shall direct and, in general, shall have all of the powers and duties that are incident to the office of secretary of a stock corporation organized under the BCL. The Assistant Secretary elected exclusively by the Sponsor Board Member(s) and the Assistant Secretary elected exclusively by the Commercial Board Members shall have all of the same powers and duties as the Secretary, but shall act only in connection with the Operation and affairs of the Unsold Residential and Storage Units or the Commercial Units, respectively.

Section 3.5 **Treasurer**

The Treasurer shall have the care and custody of the funds and securities of the Condominium Association 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 and/or manager in such depositories as may from time-to-time be designated by the Board and, in general, shall have all of the powers and duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 **Election, Term of Office and Qualifications of Officers**

3.6.1 Election and Term. Each of the officers of the Condominium Board shall be elected annually by a majority of those Board Members attending a duly constituted organizational meeting of each new Condominium Board at which a quorum is present (except in case of an election to fill a vacancy or to create an additional or new officer), and shall serve at the pleasure of the Board Members who elected such officer; subject and subordinate, however, to the right of the Sponsor Board

Member(s) and the Commercial Board Members to each always exclusively elect a co-Vice President and an Assistant Secretary as provided in subsection 3.1.1 hereof.

3.6.2 Qualifications. The President shall be elected from among the members of the Condominium Board. The other officers of the Condominium Board, however, need not be members of the Condominium Board and need not be Unit Owners or have any interest in the Condominium or a Unit. Any single individual may hold any combination of offices, except that the offices of President and Secretary shall be held by different individuals.

Section 3.7 **Removal and Resignation of Officers**

3.7.1 Removal. An officer may be removed at any time "with" or "without cause" by an affirmative vote of a majority of those Board Members who attend a duly constituted Board meeting at which a quorum is present, except an officer appointed and designated exclusively by the Sponsor Board Member(s) or the Commercial Board Members may be removed for only dishonesty or other "good cause" by said majority vote of Board Members, excluding from the base number of Board Members and from the count for quorum and voting purposes the Sponsor Board Member(s) or the Commercial Board Members (as applicable) who appointed and designated such officer, and may be removed "without" cause by only the Sponsor Board Member(s) or Commercial Board Members, whoever elected such officer. An officer appointed by the Sponsor Board Member(s) or Commercial Board Members who is to be removed for "good cause" shall be given a written explanation of the basis of removal at least seven (7) business days in advance of the Board meeting and a reasonable opportunity to be heard thereat before the vote is taken.

3.7.2 Resignation. Each officer may resign at any time by giving written notice to the applicable Board Member(s) who elected such officer. However, the President will be regarded as having resigned effective on the date such officer ceases to be a Board Member.

Section 3.8 **Vacancies**

A vacancy in an office shall be filled by a majority of the Condominium Board in attendance at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose, except that a vacancy of an officer elected exclusively by the Sponsor Board Member(s) or the Commercial Board Members shall be filled by vote of only the Sponsor Board Member(s) or the Commercial Board Members, respectively, without the necessity of a Board meeting.

Section 3.9 **Compensation of Officers**

No officer shall receive any compensation from the Condominium Association for acting as such.

Section 3.10 **Liability of the Officers of the Condominium**

3.10.1 Standard for Liability. The officers of the Condominium Association shall have no liability to the Unit Owners for errors of judgment, negligence or otherwise, except that each officer shall be liable thereto for such officer's own bad faith or willful misconduct.

3.10.2 Immunity. The officers of the Condominium Association shall have no personal liability for having acted in such capacity and such immunity from personal liability shall apply to all transactions of the Board authorized in these By-Laws or the Declaration, including each and every contract made, and other document executed, by or on behalf of the Condominium Board in accordance with these By-Laws or the Declaration, and each such contract and document shall so provide (however,

the failure to so provide shall not, and shall not be construed to, in any way affect, change or waive such immunity from personal liability). Such contract or document shall be regarded as being made or executed by or on behalf of the Board as agent of all Unit Owners or only all Residential and Storage Unit Owners (as applicable) and the liability thereunder of an officer shall be to the extent only that such officer is a Unit Owner and then only as limited in Section 4.12 hereof.

3.10.3 Service Interruptions and Force Majeure. No officer of the Condominium Association (in his or her capacity as an officer) shall be liable for any Claims or Liabilities and Expenses for either: (a) any failure or interruption of any utility or other services to be obtained by any such officer on behalf of the Condominium Association or to be paid for as a Common Expense; or (b) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any portion of the Common Elements or the Association's Properties, and either: (b-1) caused by the Force Majeure, by any Unit Owner or by any other Person; (b-2) resulting from electricity, water, snow or ice, including water that may leak or flow from a Unit (including its appurtenant Terrace or Planting Terrace, if any), its appurtenant Individual Limited Common Element (if established) or any portion of the Common Elements or the Association's Properties; or (b-3) arising out of theft or otherwise.

3.10.4 Indemnity. The Unit Owners on whose behalf an officer of the Condominium Board acted shall jointly, or the Unit Owner on whose individual behalf an officer acted shall individually, indemnify such officer from and against any Claims and Liabilities and Expenses to others arising from such officer's acts or omissions as, or by reason of the fact that such individual is or was, an officer of the Condominium Board, except, however such officer shall not be indemnified to the extent that such Claims or Liabilities and Expenses shall be due to, or shall arise out of, the bad faith or willful misconduct of such officer. Accordingly, the officers elected exclusively by the Sponsor Board Member(s) or the Commercial Board Members shall not be indemnified by the Sold Residential and Storage Unit Owners if and to the extent that the Claims or Liabilities and Expenses arose solely from a decision or transaction made alone by the Sponsor Board Member(s) or Commercial Board Members affecting only the Unsold Residential and Storage Units or the Commercial Units, respectively, and do not affect the entire Condominium Association, the Common Elements, the Association's Properties, the Common Expenses or the Common Charges. Similarly, each Commercial Unit Owner shall not be required to provide such indemnity if and to the extent only that the Claims or Liabilities and Expenses arise solely from a decision or transaction made alone by the Residential Board Members which affect only the Residential Space and do not affect the entire Condominium Association, such Owner's Commercial Unit, or those General Common Elements or those Association's General Properties that actually service or are actually utilized by such Commercial Unit Owner or those General Common Expenses fairly and properly attributable to such Commercial Unit Owner.

ARTICLE 4

UNIT OWNERS

Section 4.1 Annual Meetings of the Unit Owners

4.1.1 First Meeting. The first meeting of Unit Owners shall be called to be held within approximately sixty (60) calendar days after the earlier to occur of: (a) the first anniversary of the First Closing of a Residential Unit under the Plan; or (b) the date that number and Common Interest of the Sold Residential and Storage Units constitute more than fifty percent (50%) in number and Common Interest of all Residential and Storage Units. At such first meeting, the incumbent Condominium Board Member shall resign, or shall be deemed to have resigned, effective upon the qualification (in the case of

an Independent Board Member) and election of a successor nine (9)-member Condominium Board by the Unit Owners, as provided both in this Article 4 and in Article 2 hereof.

4.1.2 Subsequent Annual Meetings. Thereafter, annual meetings of the Unit Owners shall be held within approximately thirty (30) calendar days of the anniversary of the previous annual meeting, subject to the right of the Condominium Board (in its sole and absolute discretion) to change the date of such annual meeting to be held within approximately sixty (60) days after the issuance of the Condominium's financial statements for the immediately preceding year for financial reporting. Each such annual meeting is to be held at such time and place in the Borough of Manhattan and County of New York as shall be determined by the Condominium Board. At each such subsequent annual meeting, the Unit Owners shall elect new members to the Condominium Board with respect to those Board Members whose terms are then expiring and shall transact such other business as may properly come before such meeting, subject and subordinate, however, to the right of the Owners of Commercial Units 1 and 2 to each exclusively appoint and designate one (1) Commercial Board Member and the right of Sponsor, as Owner of an Unsold Residential Unit (or, if Sponsor no longer owns any Unsold Unit, the then existing Unsold Residential Unit Owners, if any) to exclusively appoint and designate the number of Sponsor Board Members specified in Section 2.6.4 above.

Section 4.2 **Special Meetings of the Unit Owners**

4.2.1 Requirements For Special Meeting. The President shall call a special meeting of the Unit Owners or only the Residential and Storage Unit Owners (as applicable) whenever so directed by a duly adopted resolution of the Condominium Board (or Residential Board Members, if and as applicable) or upon receipt by the Secretary of a petition calling for such a meeting signed by any two (2) Board Members or by the Owners of not less than twenty-five (25%) percent of the Common Interests of all Units or all Residential and Storage Units (as applicable). Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting. Within ten (10) calendar days after receipt of such resolution or petition (as applicable), the President shall call such special meeting to be held within twenty (20) business days following said receipt thereof, unless the purpose of a meeting is to consider an Amendment to the Declaration or these By-Laws, or to remove a Board Member, in which case the provisions of subsection 4.4.4 below apply. If the President fails to so timely call such special meeting, then any Board Member who voted for such resolution or any Unit Owner who signed such petition (as applicable) may so call such meeting by a notice of meeting in accordance with the requirements of Section 4.4 hereof (except that such notice need not be given by the Secretary).

4.2.2 Business of Meeting. No business shall be transacted at such special meeting except business reasonably related to purposes stated in the notice of special meeting or said petition.

4.2.3 Expiration of Sponsor Board Control Period. Notwithstanding anything to the contrary contained herein, after the expiration of the Sponsor Board Control Period (i.e., the period ending on the *earlier* of: (a) the date that the Unsold Residential and Storage Units constitute less than fifty percent (50%) in number and Common Interest of all Residential and Storage Units; or (b) the fifth anniversary of the First Closing of a Residential Unit under the Plan) Sponsor will cause the Sponsor Board Members to call a special meeting of the Residential and Storage Unit Owners to elect three (3) additional Independent Board Members. Such special meeting of Unit Owners is to be called to be held within approximately thirty (30) calendar days after the end of the Sponsor Board Control Period.

Section 4.3 **Place of Meetings**

Meetings of the Unit Owners shall be held at the principal office of the Condominium Association or at such other suitable and convenient place in the Borough of Manhattan, County of New York as may be designated by the Condominium Board (or applicable Board Members).

Section 4.4 **Notice of Meetings**

4.4.1 Contents. The Secretary of the Condominium Association shall give notice of each annual or special meeting of the Unit Owners or Residential and Storage Unit Owners to all Unit Owners or to all Residential and Storage Unit Owners, respectively, then of record on the books of the Condominium Association entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting.

4.4.2 Procedure. Such notice may be given to a Unit Owner by hand delivery, regular mail, telecopier (with electronic confirmation of transmission) or telegram at least ten (10) calendar days prior to the day fixed for the meeting (except as otherwise provided in subsection 4.2.1 above); however, absent receipt by the Secretary of written notice of another address to which notices are to be sent, the delivery or mailing of such notice to any Unit Owner, addressed to the Owner's address at the Property, at least ten (10) calendar days prior to the day fixed for the meeting (or the period specified in subsection 4.2.1, if applicable) shall be conclusively deemed the giving of notice to such Unit Owner of such meeting.

4.4.3 Address Change. Any Unit Owner may designate an address other than such Unit Owner's address at the Property to which notices to such Owner are to be sent by giving written notice thereof to the Secretary not less than ten (10) calendar days prior to the giving of notice of the applicable meeting.

4.4.4 Required Approval or Consent of Unit Owners. Supplementing, modifying and superseding any inconsistency in Section 4.4.2 hereof, if the business to be conducted at any regular or special meeting of the Unit Owners or Residential and Storage Unit Owners shall include the consideration of a proposed Amendment to the Declaration or these By-Laws or the Rules and Regulations or a Budget item or a transaction or matter requiring the approval or consent of the Unit Owners or only the Residential and Storage Unit Owners, or a proposal to remove a Board Member, the notice of such meeting shall be mailed to all Unit Owners or to all Residential and Storage Unit Owners, as applicable, at least thirty (30) calendar days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed Amendment, or shall include a reasonably detailed notice of the Budget item or transaction or matter requiring approval or consent, or the basis for removal of the Board Member (as applicable). In such case, the President shall call such meeting to be held not sooner than thirty-one (31) calendar days no later than sixty (60) calendar days following receipt by the Secretary of a Board resolution or a petition signed by the requisite percentage of Unit Owners calling for such meetings.

Section 4.5 **Quorum of the Unit Owners**

4.5.1 Quorum Requirement. Subject to subsection 4.5.3 below:

(a) attendance (in person or by proxy) of Owners of a majority in Common Interest of all Units will be required if the business or purpose of the meeting involves one (1) or more of the following: (a-1) the General Common Elements; (a-2) the Association's General Properties; (a-3) the General Common Expenses; (a-4) the General Common Charges; (a-5) all or a portion of both the

Residential Space and the Commercial Units; or (a-6) the election or removal of Board Members or any other matter involving the Operation or affairs of the entire Property or the whole Condominium Association; or

(b) attendance (in person or by proxy) of the Owners of a majority in Common Interest of only all Residential and Storage Units shall be required for the transaction of any business involving only: (b-1) the Residential Common Expenses; (b-2) the Association's Residential Properties; (b-3) the Residential Common Charges; (b-4) all or a portion of the Residential Space; or (b-5) any other matter involving the Operation or affairs of only the Residential Space.

Attendance at such meeting of Unit Owners shall be in person or by proxy.

Any business or transaction that affects only the Commercial Units may be conducted by the Commercial Board Members or the Commercial Unit Owners without the necessity of a meeting of the Condominium Board or the Residential and Storage Unit Owners, and without the approval or consent of the Residential Board Members or the Residential and Storage Unit Owners.

4.5.2 Adjournment. If, at any meeting of the Unit Owners or Residential and Storage Unit Owners there shall be less than a quorum present, Owners of a majority in Common Interest of Units or Residential and Storage Units, respectively, 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. Notice of the adjourned date shall be sent to all Unit Owners or all Residential and Storage Unit Owners (as applicable) in accordance with subsection 4.4.2 above, except that the notice shall be given by hand delivery or telegram at least 24 hours before the adjourned date or by mail at least three (3) business days before the adjourned date.

4.5.3 Reduced Quorum. The provisions of subsection 4.5.1 to the contrary notwithstanding, if a meeting is adjourned two (2) or more times for the failure to attain a quorum, then the Unit Owners or Residential and Storage Unit Owners (as applicable) attending the next adjourned date for the meeting shall constitute a quorum for the transaction of business and the absentee Unit Owners or absentee Residential and Storage Unit Owners (as applicable) shall be deemed to have consented or approved the transactions affirmatively voted for by a majority of those Unit Owners or a majority of those Residential and Storage Unit Owners (as applicable), in number of Units and/or Common Interest (as applicable), or in Common Interest if not otherwise expressly provided, attending such next meeting; provided, however, that: (a) all Unit Owners or all Residential and Storage Unit Owners (as applicable) are given not less than ten (10) calendar days advance written notice of such adjourned date; (b) the notice shall set forth in reasonable detail the actions or business proposed to be transacted; and (c) the failure of a Commercial Unit Owner or an Unsold Unit Owner (including Sponsor) to attend on such adjourned date shall not be caused by Force Majeure.

Section 4.6 **Conduct of Meetings**

4.6.1 Presiding Officer. The President shall preside at the meetings of 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. All votes of the Unit Owners shall be tallied by the individual(s) appointed by the presiding officer of the meeting.

4.6.2 Robert's Rules of Order. Unless in conflict with the terms of the Declaration, these By-Laws or the Condominium Act, each annual or special meeting of Unit Owners or Residential and Storage Unit Owners shall be conducted in accordance with the then current edition of

Robert's Rules of Order, or any other rules of procedure acceptable to: (a) a majority in Common Interest of those Residential and Storage Unit Owners present at such meeting, in person or by proxy; and (b) (while there is any Unsold Residential Unit) Sponsor or (if Sponsor no longer owns an Unsold Residential Unit) a majority in Common Interest of Unsold Residential and Storage Unit Owners; and (c) a majority in Common Interest of the Commercial Unit Owners (in the case of a meeting of all Unit Owners, but not in the case of a meeting of only Residential and Storage Unit Owners).

Section 4.7 **Order of Business**

The order of business at all meetings of the Unit Owners shall be as follows: (a) roll call; (b) proof of notice of meeting; (c) reading of the minutes of the preceding meeting (unless waived); (d) reports of officers of the Condominium Board; (e) reports of members of the Condominium Board; (f) reports of committees; (g) election of inspector(s) of election (when so required); (h) election of members of the Condominium Board (when so required); (i) unfinished business; and (j) new business.

Section 4.8 **Voting**

4.8.1 Number of Votes. Subject to the terms of Section 4.9 hereof, each Unit Owner (including Sponsor and other Owners of Unsold Units, but excluding the Board or its nominee or designee as Owner of any Unit) shall be entitled to cast one (1) vote at all meetings of the Unit Owners for each 0.001% Common Interest appurtenant to each Unit owned by such Owner. Whenever the consent or approval of a specified number or percentage of Unit Owners is required in these By-Laws or the Declaration, then for quorum and voting purposes: (a) an Owner of more than one (1) Unit shall be counted as a separate Owner for each Unit so owned by such Unit Owner; and (b) if a Unit is owned by more than one (1) Person, all such Persons shall be counted as one (1) Unit Owner.

4.8.2 Disqualification. Notwithstanding the terms contained in subsection 4.8.1 hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Owner's Unit and the amount necessary to release such lien has not been paid or discharged by bonding or otherwise at the time of such meeting. In addition, neither the Condominium Board nor any designee or nominee thereof shall be entitled to cast the votes appurtenant to any Unit owned by the Condominium Board or such designee or nominee. The Units and their appurtenant Common Interests of all Owners who are precluded from voting pursuant to the terms of this subsection 4.8.2 shall be excluded when computing the aggregate number and/or Common Interests (as applicable) of all Unit Owners for quorum and voting purposes.

4.8.3 Fiduciary. A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity.

4.8.4 Co-Owners. If two (2) or more Persons own a Unit, they shall designate one Person amongst them to vote the Common Interest or votes appurtenant to their Unit in a writing given to the Secretary, 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 or cast such votes under one (1) ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one (1) of them purports to vote such Common Interest or cast such votes 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 or votes appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

4.8.5 Proxy. The Owner of any Unit may designate any individual to act as a proxy on such Owner's behalf. The designation of any such proxy shall be made in a writing both signed

and dated by the Unit Owner and delivered to the Secretary or an Assistant Secretary at or before the appointed time for the meeting during which the same is to be effective.

4.8.6 Revocation of Proxy. Any such proxy designation shall be revocable at any time upon written notice given to the Secretary or an Assistant Secretary; however, no revocation of such a designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary or an Assistant Secretary. In addition, a proxy may be revoked by a Unit Owner who is personally present at a meeting of the Unit Owners, provided such Unit Owner submits a ballot on the form prescribed by the Secretary or an Assistant Secretary, which ballot states the name of the Unit Owner, the Owner's Unit designation number and is signed by the Unit Owner. In such case, the votes cast by the proxy holder shall not be counted and the votes cast by the Unit Owner's ballot shall be counted. The foregoing shall not preclude or prohibit a Unit Owner from giving an irrevocable proxy to a Permitted Mortgagee or a tenant under a lease of a Unit, provided the proxy is expressly stated to be irrevocable.

4.8.7 Duration. Except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor-Unit Owner, or a tenant of all or a portion of a Commercial Unit to act as the proxy of its lessor, no designation to act as a proxy shall be effective for a period in excess of six (6) months after the date thereof. Photocopies, facsimiles or other mechanical reproductions of proxies shall be valid and counted for all purposes.

4.8.8 Vote Count. Except when otherwise required by Law or otherwise provided in the Declaration or in these By-Laws and subject and subordinate to Sponsor's veto control during only the Sponsor Veto Control Period as provided in subsection 2.5.8 above, the affirmative vote of a majority or other specified number or percentage of those Unit Owners or those Residential and Storage Unit Owners (as applicable), in number of Units and/or Common Interest (as applicable), or in Common Interest if not otherwise expressly provided, attending a duly constituted meeting of Unit Owners or Residential and Storage Unit Owners, respectively, at which a quorum is present shall be binding upon all Unit Owners or all Residential and Storage Unit Owners, respectively, for all purposes. An Owner of more than one (1) Unit shall be counted as a separate Owner for each Unit so owned by such Unit Owner. If a Unit is owned by more than one (1) Person, all such Persons shall be regarded as one (1) Unit Owner as to any vote count based on the number of Unit Owners. In addition, the Residential and Storage Unit Owners shall be regarded as one (1) group of Units so that all matters and transactions to be voted upon under the Declaration or these By-Laws by the Residential Unit Owners shall also be voted upon by the Storage Unit Owners, and vice versa. The Condominium Board or its designee or nominee shall not have any voting rights with respect to any Unit owned by the Board or its designee or nominee and all such Units owned by the Board or its designee or nominee, and all voting rights appurtenant to any Units owned by the Board or its designee or nominee, shall be excluded from the count of the Unit Owners and the number and Common Interests of Units for quorum and voting purposes.

4.8.9 Record Date for Voting. For purposes of determining the Unit Owners entitled to vote at any meeting of Unit Owners or any adjournment thereof, or to express consent to or dissent from any proposal without a meeting of Unit Owners, or for the purpose of any other action, the record date on the books of the Condominium Association for any such determination of Unit Owners shall be at the close of business on the day next preceding the day of such meeting of Unit Owners or such adjourned meeting of Unit Owners or (if no meeting is held) the day on which consent or dissent on a proposal is expressed, even though a Unit Owner was not the Unit Owner of record on the books of the Condominium Association on the date of service of notice of the meeting. No additional notice of an annual or special meeting of Unit Owners or a proposal without meeting of Unit Owners need be given to a new Unit Owner who was not the record Owner on the books of the Condominium Association on the

date of giving such notice, and the failure of said new Unit Owner to receive such notice shall not be the basis of an objection or otherwise affect the validity, effectiveness or enforceability of the votes cast by Unit Owners.

Section 4.9 **Election of Members of the Condominium Board**

4.9.1 Composition of Members of the Condominium Board. The number of Independent Board Members to be elected each year and the number of Sponsor Board Members and Commercial Board Members to be appointed and designated each year following the First Closing of a Residential Unit under the Plan, and the rights and restrictions applicable to Sponsor and Unsold Residential and Storage Unit Owners to nominate candidates to serve as an Independent Board Member and the unrestricted rights of Sponsor and Unsold Residential and Storage Unit Owners to vote for all candidates to serve as Independent Board Members, shall be determined in accordance with Section 2.6 above (see in particular subsections 2.6.2 to 2.6.4).

4.9.2 Vote Count. When voting for Residential Board Members, each Residential and Storage Unit Owner (including Sponsor, for so long as Sponsor shall own any Unsold Residential and Storage Unit, and other Unsold Residential and Storage Unit Owners, if any) shall be entitled to cast for each Independent Board Member to be elected not more or less than one (1) vote for each 0.001% of Common Interest appurtenant to each and every Residential and Storage Unit owned by such Owner (for example, 555 votes if the Common Interest is 0.555%). Accordingly, the number of votes received by each candidate for whom a Residential and Storage Unit Owner casts a ballot will equal the total number of votes such Owner is entitled to cast (or, in the above example, 555 votes for each candidate).

4.9.3 No Cumulative Voting. A Unit Owner may not cumulate, split or otherwise transfer the number of votes such Unit Owner is entitled to cast from one candidate to another candidate. In addition, the terms of Sections 2.6 and 4.8 hereof shall apply to all elections of members of the Condominium Board.

4.9.4 Plurality. All elections of the Independent Board Members shall be determined by plurality vote.

4.9.5 Ballots. All elections of the Independent Board Members held from and after the first meeting of Unit Owners following the First Closing of a Residential Unit under the Plan shall be by written ballot. Each ballot cast shall state: (a) the name of the Residential and Storage Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (b) the designation number(s) of the Residential Unit(s) and Storage Unit(s), if any, owned by the Residential Unit Owner; (c) the amount of the Common Interest(s) appurtenant to such Owner's Residential Unit(s) and Storage Unit(s), if any; and (d) 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 substantially in conformity with this subsection 4.9.5 shall not be counted. All election ballots shall be retained in the records of the Condominium Association for at least three (3) years, appropriately segregated by election.

4.9.6 Board Member Designations. The Sponsor Board Members shall be appointed and designated exclusively by Sponsor so long as it owns any Unsold Residential Unit and (after Sponsor no longer owns any Unsold Residential Unit) by a majority in Common Interest of the then existing Unsold Residential and Storage Unit Owners (if any). The Commercial Board Members shall be appointed and designated exclusively by the Owners of Commercial Units 1 and 2 (each of whom shall exclusively appoint and designate one (1) Commercial Board Member). Each such appointment and designation shall be in writing delivered at the duly constituted meeting of Unit Owners at which a quorum is present or delivered in advance of such meeting to the Managing Agent or the President, Vice

President, a co-Vice President, Secretary or an Assistant Secretary. Such written appointment and designation shall be retained in the records of the Condominium Association for at least three (3) years, appropriately segregated by election.

In the event that Sponsor no longer owns any Unsold Residential Unit and there is more than one (1) Unsold Residential Unit Owner, then the Sponsor Board Member(s) shall be appointed and designated by mutual agreement of the Unsold Residential Unit Owners. If they cannot agree, then the Sponsor Board Member(s) shall be elected by plurality of the votes cast by those Unsold Residential and Storage Unit Owners who are present (in person or by proxy) and voting at such meeting.

4.9.7 Voting Rights of Sponsor, Unsold Unit Owners and Commercial Unit Owners. Sponsor, each Unsold Unit Owner and each Commercial Unit Owner shall have the right to vote all of the Common Interests and votes appurtenant to the respective Units owned by each such Owner, except (as to an Unsold Residential and/or Storage Unit Owner) Sponsor shall have exclusive voting rights with respect to the election of the Sponsor Board Member(s) as provided herein and Section 2.6 hereof. At all elections during only the Sponsor Board Control Period, the Sponsor or (if it no longer owns any Unsold Residential Unit) Owner(s) of Unsold Residential Units shall have voting control of the election of the Residential Board Members and shall exclusively appoint and designate five (5) Sponsor Board Members who will constitute a majority of all Board Members and all Residential Board Members, all as provided more fully in Section 2.6.3 hereof. At all elections held after the end of Sponsor Board Control Period and so long as there is at least one (1) Unsold Residential Unit, Sponsor (or if it no longer owns any Unsold Residential Unit, the Owner(s) of Unsold Residential Units) shall exclusively appoint and designate one (1) or two (2) Sponsor Board Members as provided more fully in such Sections 2.6.3 and 2.6.4 hereof. The Owners of Commercial Units 1 and 2 shall each always have the exclusive right to appoint and designate one (1) Commercial Board Member.

Section 4.10 **Action Without a Meeting**

Any action required or permitted to be taken by the Unit Owners or Residential and Storage Unit Owners at a duly constituted meeting of Unit Owners or Residential and Storage Unit Owners, respectively, at which a quorum is present may be taken without such a meeting if such action is consented to, or approved in writing by, the required number or Common Interest (as applicable) of Unit Owners or Residential and Storage Unit Owners, respectively. All written consents or approvals given by such Unit Owners pursuant to this Section 4.10 shall be retained in the records of the Condominium Association for at least three (3) years together with a true copy of the resolutions to which they relate.

Section 4.11 **Title to Units**

Title to any Unit may be taken by any Person or by any two (2) or more Persons as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as Owners in severalty.

Section 4.12 **Joint, Non-recourse and Limited Liability of Unit Owners**

The liability of each Unit Owner with respect to all transactions of, or on behalf of, the Condominium Board, including each and every contract made and other document executed by or on behalf of the Condominium Board:

(a) shall be without recourse for personal liability of the Unit Owner and limited to the Owner's legal and equity interest in the Owner's Unit and its appurtenant Common Interest;

(b) shall be limited to only the applicable Unit Owner(s) on whose behalf the Board is acting or the transaction primarily benefits (e.g., only all Residential and Storage Unit Owners in the case of an act on behalf of or primarily benefiting the Residential Unit Owners or the Storage Unit Owners) and (if more than one (1) Unit Owner) each of whom shall be liable jointly but not severally; and

(c) said joint liability of each such Unit Owner shall be further limited to such portion of the total liability as the Common Interest appurtenant to such Owner's Unit bears to the total Common Interests of all such applicable Unit Owners on whose behalf the Board is acting or the transaction primarily benefits (collectively, "**non-recourse, limited and joint liability**").

Each contract made by, or on behalf of, the Condominium Board shall expressly provide for such non-recourse, limited and joint liability in accordance with the foregoing. However, the failure to so expressly provide shall not, and shall not be construed to, in any way affect, change or waive the non-recourse, limited and joint liability of Unit Owners as set forth herein.

In accordance with the foregoing, each Commercial Unit Owner shall only be jointly liable if, and strictly to the extent that, the transaction (including any contract or other document) affects those General Common Elements or those Association's General Properties that actually service or are actually utilized by such Commercial Unit Owner, or such Owner's Commercial Unit, or is to be paid as part of those General Common Expenses that are fairly and properly attributable to such Commercial Unit Owner. The Commercial Unit Owners shall not be liable for any transaction that affects only the Operation or affairs of only the Residential Space or the Association's Residential Properties, and the Residential and Storage Unit Owners shall not be liable for any transaction that affects only the Operation or affairs of only the Commercial Units.

The provisions of this Section 4.12 are not applicable to, and shall not excuse, the personal liability of each Unit Owner for the payment of Common Charges (including Special Assessments) levied or imposed by the Condominium Board.

ARTICLE 5

MAINTENANCE, REPAIRS AND ALTERATIONS OF UNITS AND COMMON ELEMENTS

Section 5.1 Maintenance and Repairs

5.1.1 Units and Common Elements. Except as otherwise provided in the Declaration or in these By-Laws, all Decorating, Maintenance and Repairs, whether structural or non-structural, ordinary or extraordinary (collectively, "**All Repair Work**"):

(a) in or to any Residential Unit, Storage Unit or Commercial Unit and all portions of each thereof (other than structural or extraordinary Repairs expressly stated elsewhere herein or in the Declaration to be performed by the Condominium Board) shall be performed in accordance and compliance with the Building's Maintenance Standard by the Owner of such Unit, at such Unit Owner's sole Cost and Expense, including the following portions and areas of the Unit (if and to the extent existing in the Unit): (a-1) the interior walls; (a-2) the finishes and coverings of the boundary walls, ceilings and floors; (a-3) the kitchen and bathroom fixtures and appliances in or exclusively serving the Unit; (a-4) both sides of all Unit windows and skylight and their frames, interior sills, panes, sashes, muntins, mechanisms and latches; (a-5) all interior and Unit entrance doors (including Terrace doors, if any) and their frames, hardware, glass and saddles; (a-6) all

individual Unit plumbing, gas and electric Facilities and Equipment (whether exposed to view or concealed behind walls or partitions); (a-7) the Unit's individual HVAC units and related individual Unit Installations and fixtures, and those portions of the HVAC/Mechanical/Utility Building Systems exclusively serving the Unit, in each case whether exposed or concealed behind walls, floors or ceilings (but not the portions of the HVAC/Mechanical/Utility Building Systems serving another Unit or the Common Elements); (a-8) the lighting and electrical fixtures and related Equipment (including switches, outlets and branch lines) servicing only the Unit and any Common Elements incorporated therein pursuant to Article 13 of the Declaration, but excluding any other Common Elements contained therein; (a-9) the Terrace or Planting Terrace, if any, appurtenant to a Residential Unit (but excluding the Roof and Roof Structures under, in or enclosing a Terrace or Planting Terrace); and (a-10) generally, all matters included as part of a Unit as set forth in Section 6.9 of the Declaration; or

(b) in or to the Common Elements (other than any Common Elements incorporated into one (1) or more Units pursuant to the terms of Article 13 of the Declaration) or the Association's Properties shall be performed in accordance and compliance with the Building's Maintenance Standard by the Condominium Board and the Costs and Expenses thereof shall be allocated and apportioned by the Condominium Board to all Units or to only all Residential and Storage Units based on Usage (i.e., special or exclusive use or availability or exclusive control of particular Units or Common Elements by particular Unit Owners) in accordance with the Special Allocation and Apportionment Rule, Section 339-m of the Condominium Act and as provided in Section F of Part I of the Plan and the First Year's Budget (SCHEDULE B) contained therein, Article 9 and Section 14.2 of the Declaration, the Budget Guidelines (EXHIBIT F to the Declaration) and these By-Laws.

In accordance with the foregoing:

(x) the Costs and Expenses of All Repair Work in or to the General Common Elements or the Association's General Properties shall be included in the General Common Expenses, which shall be allocated to all Residential and Storage Unit Owners and the amount thereof allocated to each Commercial Unit Owner shall be limited and restricted strictly to the extent of its allocable share of only that portion of the Costs and Expenses to Maintain and Repair those General Common Elements or those Association's General Properties that actually serve or are actually utilized by such Commercial Unit Owner;

(y) the General Common Expenses allocated to all Unit Owners shall generally be apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount of a General Common Expense item fairly and properly attributable to a Commercial Unit Owner or to the Residential and Storage Unit Owners would otherwise require, in which case such fair and proper apportionment shall be used (such as in the case of the Specially Apportioned General Common Expenses, as provided in Section 9.1.3. of the Declaration);

(z) the Costs and Expenses of All Repair Work in or to the Residential Limited Common Elements or the Association's Residential Properties shall be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and said Section 339-m, based on their exclusive or substantially exclusive Usage thereof;

(aa) the Costs and Expenses of All Repair Work in or to an Individual Residential Limited Common Element appurtenant to a Residential Unit (if established), shall be paid solely by the Owner of such Residential Unit, except structural or extraordinary Repairs not caused by the acts or omissions of said applicable Residential Unit Owner having exclusive or substantially exclusive use thereof shall be performed by the Condominium Board as part of the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests;

(bb) the Costs and Expenses of All Repair Work in or to an Individual Commercial Limited Common Element appurtenant to a Commercial Unit (if established) shall be paid solely by the Owner of such Commercial Unit;

(cc) the Costs and Expenses of All Repair Work in or to any Residential or Storage Unit acquired, leased, held or Operated by the Condominium Board, or its nominee or designee, shall be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and said Section 339-m;

(dd) the Costs and Expenses of All Repair Work in or to the Immediately Adjacent Sidewalks to the Property shall be paid by the Condominium Board as part of the General Common Expenses, which shall be allocated to all Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests;

(ee) the Costs and Expenses of All Repair Work in or to the General Vault #2 and the General Common Elements housed therein shall be included in the General Common Expenses, which shall be allocated to all Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests; however, the Costs and Expenses of All Repair Work to any Residential Equipment housed in said Vault shall be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and said Section 339-m; and

(ff) the Costs and Expenses of All Repair Work in or to Vault #1 shall be borne solely by the Owner of Commercial Unit 1, except any Equipment housed therein serving all or part of the General Common Elements or the Residential Space shall be included in the General Common Expenses or Residential Common Expenses, respectively.

5.1.2 Lot Line Windows and Vaults. Notwithstanding anything to the contrary contained herein:

(a) if the closure (i.e. walling-up) or reduction in size of lot line windows (if any) of a Residential Unit is required, such closure or reduction (as applicable) shall be performed by the Condominium Board and the Costs and Expenses thereof shall be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests; and

(b) if The City of New York revokes the right, license or permit to use a Vault, the Costs and Expenses of sealing such Vault and relocating the Equipment and Installations located therein shall be performed by the Condominium Board (in the case of General Vault #2) or the Owner of

Commercial Unit 1 (in the case of Commercial Vault #1) and all such Costs and Expenses shall be borne as follows: (b-1) in the case of General Vault #2, all such Costs and Expenses shall included in the General Common Expenses, which shall be allocated to all Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests; except the Costs and Expenses to relocate any Residential Equipment housed therein shall be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and Section 339-m; and (b-2) in the case of Commercial Vault #1, all such Costs and Expenses shall be borne solely by the Owner of Commercial Unit 1, except the Costs and Expenses to relocate any Equipment housed therein serving all or part of the General Common Elements or the Residential Limited Common Elements shall be included in the General Common Expenses or Residential Common Expenses, respectively.

5.1.3 Unit Windows and Doors

Notwithstanding anything to the contrary provided in subsection 5.1.1 above:

(a) the exterior (outdoor) glass surfaces of all windows and any skylight of each Unit, are to be washed and cleaned in accordance with applicable Laws and the Building's Maintenance Standard by the Owner of such Unit, at such Unit Owner's sole Cost and Expense;

(b) air and water penetration between the Building Walls and the window or skylight frame of a Residential Unit, or the Storefronts of a Commercial Unit, shall be Repaired as follows: (b-1) in the case of a Residential Unit: all such Repairs shall be performed by the Condominium Board and the Costs and Expenses thereof shall be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests; or (b-2) in the case of a Commercial Unit: the Owner of such Commercial Unit, at such Owner's sole Cost and Expense, shall perform all such Repairs;

(c) each Unit Owner, at such Owner's sole Cost and Expense, shall Maintain and Repair in accordance with the Building's Maintenance Standard broken windows and any skylight window (including their panes, latches, operating mechanisms, mullions and sashes) and interior window sills of the Owner's Unit;

(d) all entrance and Terrace doors and interior doors of a Unit or (if established) its appurtenant Individual Limited Common Element (including their frames, hardware and saddles) are to be Maintained and Repaired in accordance with the Building's Maintenance Standard by the Owner of such Unit, at such Owner's sole Cost and Expense;

(e) the exterior side of windows and skylight (if any) of a Sold Residential Unit, and the exterior sides of Unit entrance and Terrace doors of a Sold Residential Unit (including door frames, hardware and saddles) shall be Maintained and Repaired in accordance with (and shall not be painted, colored, covered or otherwise Decorated or Altered in violation of) the requirements of Section 10.13 (f), (g) and (h) of the Declaration; and

(f) the Unit entrance door (including a Terrace door, if any) of a Sold Residential Unit (including each such door's frame, hardware and saddles), and the windows and skylight (if any) of a Sold Residential Unit shall not be replaced or Altered without obtaining the prior written Discretionary

Approvals or Consents of both the Condominium Board and (during only the Sponsor Veto Control Period) Sponsor.

5.1.4 Major Repairs to Sold Units. A Sold Residential Unit Owner and Sold Storage Unit Owner shall not make any of the following Repairs (collectively, "**Major Repairs**" and individually, "**Major Repair**") to the Owner's Sold Unit or its Installations without complying with the "Unit Repair Requirements" (as defined and set forth in subsection 5.2.4 below) and obtaining the following prior written approvals or consents:

(a) the case of a Major Repair affecting the Structural Components of the Building, the Unit entrance doors, windows, sky light, Terrace or Planting Terrace (if any), or any other portion of a Sold Unit exposed to public view: the written Discretionary Approvals or Consents must first be obtained from both: (a-1) the Residential Board Members; and (a-2) Sponsor (during only the Sponsor Veto Control Period and until the issuance of the permanent Certificate of Occupancy of the Building authorizing the use of all Units for the purposes set forth in the Declaration); or

(b) in the case of a Major Repair affecting the HVAC/Mechanical/Utility Building Systems: the prior written Reasonable Approval or Consent must first be obtained from the Residential Board Members and (until said permanent Certificate of Occupancy of the Building issues) the Discretionary Approval or Consent of Sponsor must also first be obtained.

5.1.5 All Repair Work and Alterations to Unsold Units and Commercial Units. Each Unsold Unit Owner (including Sponsor) and each Commercial Unit Owner shall have the right to perform All Repair Work to, and Alter, such Owner's Unit and (if established) its appurtenant Individual Limited Common Element Freely and Without Consent, Payment or Restriction, other than the requirement to perform same in compliance with the applicable Work Requirements set forth in Section 15.2 of the Declaration.

5.1.6 Report of Defects. 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.

5.1.7 Performance Standard. All Repair Work performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in accordance with the Building's Maintenance Standard and in such a manner as shall not unreasonably disturb or interfere with the Use and Enjoyment of any other Unit by its Owner or such Owner's Permitted Tenants/Occupants/Invitees.

5.1.8 General Maintenance Standard of Units and Common Elements. Each Unit (including its windows and any skylight (both the indoor and outdoor sides), Unit entrance doors, Terrace or Planting Terrace (if any) and all portions thereof exposed to public view) and the Common Elements (including all portions thereof used by the public or exposed to public view) shall be kept, washed and Maintained in accordance with the Building's Maintenance Standard by, respectively, the Owner of such Unit and the Condominium Board. Each Unit Owner or the Condominium Board (as applicable) shall with reasonable diligence and continuity perform All Repair Work necessary to comply with the foregoing.

5.1.9 Neglect. Each Unit Owner shall be responsible for any and all damage to any other Unit or to the Common Elements resulting from such Owner's failure to Maintain and Repair the Owner's Unit (including its Equipment and Installations) or (if established) its appurtenant Individual Limited Common Element in accordance with these By-Laws or the Declaration.

5.1.10 Floors of Sold Residential Units. Each Sold Residential Unit Owner shall be obligated, at the Owner's sole Cost and Expense, to cover at least 80% of the indoor floor areas of such Owner's Unit (other than the kitchen, pantry (if any), bathroom(s), powder room (if any) and closets) with carpeting, rugs or equally effective noise reducing material Reasonably Approved in writing by the Condominium Board, unless the Condominium Board consents in writing to make exceptions for the Owner's Unit (such consent to be within the sole and absolute judgment and discretion of the Condominium Board).

5.1.11 Terrace or Planting Terrace of Sold Residential Unit. If at the time of occupancy of a Sold Residential Unit to which a Terrace or Planting Terrace is appurtenant, no pavers tiles or other protective flooring or covering constituting such Unit's Terrace or Planting Terrace, is installed that safeguards the Roof and its appurtenant Roof Structures adjacent to such Unit, such adjacent Roof shall not be walked upon, nor shall any fence, wall, planter, partition, structure or other Terrace Object be constructed, installed or placed thereon or therein, without such Sold Residential Unit Owner or Sponsor (whoever is obligated under the Purchase and Sale Agreement for such Residential Unit), at the sole Cost and Expense of such Party, first installing pavers, tiles or other protective flooring or covering that safeguards said adjacent Roof and (if such Party is the Purchaser of the Unit) that is first Reasonably Approved or Consented to in writing by Sponsor (during only the Sponsor Veto Control Period) or (if the installation is to be made after the end of the Sponsor Veto Control Period) or the Condominium Board. The foregoing is not applicable to Unsold Residential Units, as to which no approvals or consents of the Condominium Board or other Unit Owners shall be required for the construction or installation of the protective flooring or covering constituting the Terrace or Planting Terrace of such Unsold Residential Unit. In addition, the Terrace or Planting Terrace appurtenant to a Sold Residential Unit, and the walls, parapets, copings, railings and other Roof Structures enclosing same, shall not be landscaped, painted, furnished, enclosed, partitioned or otherwise Decorated or Altered, nor shall any Terrace Object be constructed, installed or placed thereon or therein, without obtaining the prior written Discretionary Approvals or Consents of both Sponsor (during only the Sponsor Veto Control Period and until issuance of said permanent Certificate of Occupancy of the Building) and the Condominium Board. The protective flooring or covering of a Terrace or Planting Terrace of a Sold Residential Unit shall not be removed, Altered or penetrated without first obtaining the Reasonable Approvals or Consents of Sponsor (during only the Sponsor Veto Control Period and until issuance of said permanent Certificate of Occupancy of the Building) and the Condominium Board. The foregoing restrictions and requirements do not apply to a Terrace or Planting Terrace of an Unsold Unit, which Sponsor or other Owner thereof may Decorate and Alter without the approval or consent of the Condominium Board or other Unit Owners. The Planting Terrace is only an ornamental or decorative feature of the Building Walls and may not be used, entered or walked upon, except in connection with any required or needed Maintenance or Repair, or a permitted Decoration.

5.1.12 Boundary Walls, Floors and Ceilings. Notwithstanding anything herein contained to the contrary, the Condominium Board shall perform All Repair Work in or to the following:

(a) the Building Walls and the Party Walls enclosing: (a-1) a Residential Unit (but not Repairs to the Unit side of wall finishes or coverings, such as paint, wallpaper, wood panel or other surface material); or (a-2) the Residential Limited Common Elements, the General Common Elements or the Association's Properties;

(b) the Base Floors and any subflooring (but not Repairs to the floor finishes or coverings thereon within the interior of a Unit, including tile, wood, carpet or other surface material) and Base Ceilings (but not Repairs to ceiling finishes or coverings within the in the interior of a Unit, such as paint, plaster, sheetrock or other decorative material) of: (b-1) Residential and Storage Units;

or (b-2) the Residential Limited Common Elements, the General Common Elements or the Association's Properties; and

(c) the Roof and the Roof Structures under, in and enclosing a Terrace or Planting Terrace (but not Repairs to any pavers, tiles or other protective flooring or covering above same, which constitute the Terrace or Planting Terrace appurtenant to a specified Residential Unit).

All Repair Work with respect to the excluded items in the preceding clauses (a), (b) and (c), and to the portions of the Party Walls, Base Floors and Base Ceilings which are part of a Commercial Unit, shall be performed by, and at the sole Cost and Expense of, each applicable Unit Owner.

The Costs and Expenses of All Repair Work to the foregoing portions of the Common Elements shall be allocated, apportioned assessed by the Condominium Board as follows in accordance with the Special Allocation and Apportionment Rule and Section 339-m of the Condominium Act:

(a) in the case of All Repair Work in or to the foregoing that comprise part of the Residential Limited Common Elements (including the Roof and Roof Structures under, in and enclosing a Terrace or Planting Terrace) or the Association's Residential Properties: all such Costs and Expenses shall be paid by the Condominium Board as part of the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests; or

(b) in the case of All Repair Work to the foregoing that are expressly stated to comprise part of the General Common Elements or the Association's General Properties: all such Costs and Expenses shall be paid by the Condominium Board as part of the General Common Expenses, which shall be allocated to all Residential and Storage Unit Owners and the amount allocated to each Commercial Unit Owner shall be limited and restricted strictly to the extent required to reflect the amount thereof fairly and properly attributable to such Commercial Unit Owner based strictly on such Owner's Usage thereof in accordance with Section F of the Plan, said First Year's Budget (SCHEDULE B) contained therein, these By-Laws, Article 9 of the Declaration and the Budget Guidelines (EXHIBIT F to the Declaration); and the amount so allocated to all Unit Owners in accordance with the foregoing shall generally be apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount fairly and properly attributable to a Commercial Unit Owner or to the Residential and Storage Unit Owners would otherwise require, in which case such fair and proper apportionment shall be used.

5.1.13 General Obligation of Unit Owners. Each Unit Owner, at such Owner's sole Cost and Expense, shall generally be obligated to perform All Repair Work to the Owner's Unit and its Equipment and Installations and (if established) appurtenant Individual Limited Common Element in accordance and compliance with the applicable Work Requirements set forth in Section 15.2 of the Declaration, except as may otherwise expressly be provided elsewhere in these By-Laws or the Declaration.

5.1.14 Common Elements In or Adjacent to Units. The Condominium Board shall be obligated to perform All Repair Work in or to the Common Elements in, or adjacent to, a Unit in accordance and compliance with the applicable Work Requirements set forth in Section 15.2 of the Declaration, unless necessitated by the negligence, misuse, abuse or neglect of a Unit Owner (in which case same shall be Repaired by the Board at the expense of the applicable Unit Owner as provided elsewhere herein). The Costs and Expenses of All Repair Work thereto shall be allocated, apportioned and assessed by the Condominium Board as follows in accordance with the Special Allocation and Apportionment Rule and said Section 339-m:

(a) in the case of Residential Limited Common Elements in, or adjacent to, a Unit: all such Costs and Expenses shall be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Units and apportioned and assessed among them Pro Rata to their respective Common Interests; and

(b) in the case of General Common Elements in, or adjacent to, a Unit: all such Costs and Expenses shall be included in the General Common Expenses, which shall be allocated to all Residential and Storage Unit Owners and the amount allocated to a Commercial Unit Owner shall be limited and restricted strictly to the extent required to reflect the amount thereof fairly and properly attributable to such Commercial Unit Owner based strictly on such Owner's Usage thereof in accordance with these By-Laws, Article 9 of the Declaration, said Section F of the Plan and said First Year's Budget (SCHEDULE B) contained therein, and said Budget Guidelines (EXHIBIT F to the Declaration); and the amount allocated to all Unit Owners in accordance with the foregoing shall generally be apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount fairly and properly attributable to a Commercial Unit Owner or to the Residential and Storage Unit Owners would otherwise require, in which case such fair and proper apportionment shall be used.

5.1.15 Cooperation of Board. The Condominium Board shall reasonably cooperate with each Unit Owner in connection with any Repair permitted to be made to, or in connection with, the Owner's Unit, its individual Equipment and Installations and (if established) its appurtenant Individual Limited Common Element. In furtherance of such cooperation, the Condominium Board shall promptly execute and deliver any Government Document required in connection therewith, subject to the Owner's compliance with the following:

(a) such Unit Owner shall pay all required governmental fees and charges;

(b) (in the case only of a Sold Residential or Storage Unit) the Owner of such Sold Unit shall be required to pay all reasonable professional fees (including legal, architect, engineering and other professionals and consultants) and disbursements incurred by the Condominium Board to review the Government Document and to review any accompanying drawings and specifications (such fees and disbursements shall not be charged to the Unsold Unit Owners or the Commercial Unit Owners); and

(c) such Unit Owner shall indemnify the Condominium Board, its members, officers, attorneys, agents (including Managing Agent) and employees, and all other Unit Owners, from and against any and all Claims and Liabilities and Expenses arising from the Government Document executed by the Condominium Board and from any related Work performed by, or for, such Unit Owner by the Owner's Agents, Employees and Contractors.

Section 5.2 **Alterations and Major Repairs**

5.2.1 Required Approvals or Consents. A Sold Residential or Storage Unit Owner shall not make any of the following Alterations or Repairs to the Owner's Sold Unit or its Equipment or Installations without complying with the "Unit Alteration Repair Requirements" (as defined and set forth in subsection 5.2.4 below) and obtaining the following prior written approvals or consents:

(a) in the case of an Alteration or Repairs affecting the Structural Components of the Building or any portion of a Sold Residential Unit exposed to public view (including such Unit's: Unit entrance and Terrace doors; windows; skylight; and Terrace or Planting Terrace, if any): the prior written Discretionary Approvals or Consents must first be obtained of both: (a-1) the Residential Board

Members; and (a-2) Sponsor (during only the Sponsor Veto Control Period and until the issuance of said permanent Certificate of Occupancy of the Building); or

(b) in the case of an Alteration or Repair affecting the HVAC/Mechanical/Utility Building Systems, the prior written Reasonable Approval or Consent of the Residential Board Members must first be obtained and (until the issuance of said permanent Certificate of Occupancy of the Building) the Discretionary Approval or Consent of Sponsor must also first be obtained.

The foregoing approvals or consents do not apply to, and are not required in connection with, the following:

(x) the furnishing, painting and otherwise Decorating of the indoor portions of a Sold Residential Unit that do not involve its windows, skylight, the exterior side of Unit entrance doors or other portions of such Unit exposed to public view;

(y) any Alterations (structural or nonstructural, extraordinary or ordinary, or otherwise): (y-1) to Unsold Residential and Storage Units (including their Equipment, Installations, Unit entrance doors, windows, skylight, Terrace or Planting Terrace (if any) and any other portions of such Units exposed to public view); or (y-2) to the Commercial Units; or

(z) any Alterations made by an Authorized First Sold Residential Unit Owner that are first approved or consented to in writing by Sponsor.

5.2.2 Silence Deemed to be Approval. Except as prohibited by Law, in the event that the Condominium Board or Sponsor shall fail to answer any written, reasonably detailed request for approval within thirty (30) calendar days after such request is received, such failure to respond shall constitute the consent or approval of the Condominium Board or Sponsor (as applicable) thereto.

5.2.3 Unit Change. Notwithstanding anything to the contrary contained in subsection 5.2.1 or Section 5.1 above, Sponsor, an Unsold Unit Owner and an Authorized First Sold Residential Unit Owner shall have the right, from time to time, to make a Unit Change as provided in Section 13.1 of the Declaration, Freely and Without Consent, Payment or Restriction, other than those set forth in Sections 13.2 and 15.2 of the Declaration. If a Sold Unit Owner is permitted to combine all or portions of two (2) or more Units that are horizontally or vertically adjacent to each other, such Owner will have the right to incorporate and remove portions of the Common Elements between or immediately adjacent to such Owner's Units (such as: the wall space between, or the portion of a hallway serving only, such Owner's horizontally adjacent Units; or the floor slab between such Owner's vertically adjacent Units), without paying any license or use fee or rental or other charge by reason thereof (unless the approval or consent of the Board thereto is required and is conditional upon payment of such license or use fee, rental or charge), but subject to such incorporation and removal of portions of the Common Elements:

(a) being performed in compliance with the "Unit Alteration Requirements" as defined and set forth in subsection 5.2.4 below;

(b) not preventing or unlawfully impairing legal access of other Units to the public stairs, elevators, lobby or street entrance to the Building; and

(c) not diminishing or adversely and unreasonably affecting: (c-1) the proper and efficient performance, function, capacity or utility of the Building's Equipment and Installations serving

other Units or the Common Elements; or (c-2) the use of the Common Elements serving other Units for their intended purposes.

5.2.4 Unit Alteration Requirements. All Unit Alterations (i.e., permitted non-Structural and Structural Alterations) and/or permitted Major Repairs (collectively, "**Unit Alterations/Repairs**") by a Sold Residential or Storage Unit Owner (but not Unit Alterations/Repairs by an Unsold Residential or Storage Unit Owner or a Commercial Unit Owner) shall and must comply with the following requirements ("**Unit Alteration/Repair Requirements**"):

(a) such Unit Alterations/Repairs Work shall not commence until the Sold Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all Governmental Authorities having jurisdiction, procures all required approvals, permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, approvals, permits and licenses to the Board or its Managing Agent (as directed by either);

(b) such Unit Alterations/Repairs Work shall be prosecuted diligently and with continuity to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(c) such Unit Alterations/Repairs Work shall be performed in accordance and compliance with: (c-1) all applicable Work Requirements set forth in Section 15.2 of the Declaration (but subject and subordinate to Sponsor's Rights set forth in Section 15.2(k) of the Declaration); and (c-2) the Work rules of the Building adopted by the Condominium Board from time to time;

(d) the Condominium Board and its Managing Agent, and their respective employees and representatives, shall be given reasonable access and opportunity, from time to time, to inspect and monitor such Unit Alterations/Repairs Work as it progresses;

(e) all contractors involved in such Unit Alterations/Repairs Work 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 directly or indirectly at the behest, for the benefit, or for the account of Sponsor or the Condominium Board, such Unit Alterations/Repairs Work shall be performed solely by union members;

(f) promptly after the completion of such Unit Alterations/Repairs Work, all necessary inspections, approvals and sign-offs of Governmental Authorities having jurisdiction thereof shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate Governmental Authorities and the Condominium Board or its Managing Agent (as directed by either) shall be given copies of all such inspections, approvals, notices and certifications;

(g) the Unit Alterations/Repairs shall comply with all applicable Laws;

(h) before Work commences, the Sold Unit Owner shall give the Condominium Board written notice of the details of the proposed Unit Alterations/Repairs and (if requested) complete drawings showing all proposed construction changes prepared by an architect, engineer or other appropriate professional;

(i) no Unit Alterations/Repairs (including furnishing, painting and other Decorations) shall be performed that will affect a Sold Residential Unit's Terrace or Planting Terrace (if any), or involve any fence, wall, planter, partition, structure or other Terrace Object to be constructed, installed or placed on or in such Terrace or Planting Terrace, or affect the windows, skylight, Unit

entrance doors or other portions of the Sold Residential Unit and (if established) its appurtenant Individual Limited Common Element exposed to public view, unless the Owner of such Sold Residential Unit shall obtain the prior written Discretionary Approvals or Consents therefor from both the Condominium Board and (during only the Sponsor Veto Control Period and until the issuance of said permanent Certificate of Occupancy of the Building) Sponsor;

(j) (if required by the Condominium Board) before such Unit Alterations/Repairs Work commences, the Sold Unit Owner shall sign and deliver to the Condominium Board an Alteration agreement, on the standard form adopted by, and in substance satisfactory to, the Condominium Board, setting forth the terms and conditions for performing the Unit Alterations/Repairs (including the Condominium Board's Work rules, insurance, lien waiver and security deposit requirements and an indemnity in favor of the Condominium Board, its members, officer, attorneys, agents (including Managing Agent) and employees, and all Unit Owners, from and against any and all Claims and Liabilities and Expenses arising out of the Unit Alterations/Repairs); and

(k) the Sold Unit Owner shall pay or reimburse the Board (as directed by the Board) for the Costs and Expenses it incurs in connection with the foregoing, including fees and disbursements of the Board's architect, engineer, attorneys, professionals, consultants and Managing Agent to review the construction drawing and related plans and specifications of the proposed Unit Alterations/Repairs, to review the governmental approvals, permits and licenses, to prepare the standard Unit Alteration agreement, to inspect and monitor the Unit Alterations/Repairs Work and generally to oversee and enforce compliance with the Unit Alteration agreement and the Unit Alteration/Repair Requirements.

If a Sold Unit Owner violates or breaches any such Unit Alteration/Repair Requirements, the Condominium Board shall be entitled, in addition to all other rights and remedies provided in these By-Laws or the Declaration, or available at Law or in equity, to cause such Unit Alterations/Repairs Work by the Sold Unit Owner to be halted, including causing the Managing Agent to deny access to the Building to such Owner's Agents, Employees and Contractors and suppliers (other than to permit them to remove their tools and Equipment, provided they are accompanied by the Building's superintendent or other person designated by the Board) until such Owner complies with the same, and if required to avoid an interruption of any Building services to a Unit or the Common Elements, or to avoid or discharge a violation of Law or to remove a condition which threatens the structural integrity of the Building or any portion thereof or the life, health or safety of Owners and occupants of Units, to cause all such Unit Alterations/Repairs Work to be removed and the Unit restored to its prior condition before undertaking such work, at such Owner's sole Cost and Expense.

All references in this subsection 5.2.4 to the Condominium Board shall mean a majority of those Residential Board Members attending a duly constituted meeting of the Residential Board Members at which a quorum is present.

The foregoing Unit Alteration/Repair Requirements do not apply to: (a) furnishing, painting and otherwise Decorating the portions of a Sold Unit that do not involve its Terrace or Planting Terrace, Unit entrance doors, windows, skylight, or other portions thereof exposed to public view or otherwise do not affect the exterior appearance of the Building; or (b) Unit Alterations/Repairs to Unsold Units or the Commercial Units. All permitted furnishing, painting and Decorating by a Sold Unit Owner and all Unit Alterations/Repairs by Sponsor, an Unsold Unit Owner or a Commercial Unit Owner may be made and performed Freely and Without Consent, Payment or Restriction, other than the requirement to comply with the applicable Work Requirements set forth in Section 15.2 of the Declaration. Unit Alterations/Repairs by an Authorized First Sold Residential Unit Owner who is given written

authorization for the Unit Alterations/Repairs by Sponsor or an Unsold Unit Owner (as applicable) at or prior to title closing shall not be subject to (and may be made without) Board approval, but shall be subject to compliance with the "Unit Change Requirements" defined and provided in Section 13.2(r) of the Declaration.

5.2.5 Government Documents. The Condominium Board shall execute and return to Sponsor, an Unsold Unit Owner, a Commercial Unit Owner, or a Sold Unit Owner who complies with all of the foregoing Unit Alteration/Repair Requirements, as applicable, any Government Document reasonably required for the Unit Alterations/Repairs by such Party, subject to the such Party's compliance with the following:

(a) such Unit Owner shall be required to pay all required governmental fees and charges in connection with such Government Document;

(b) such Sold Unit Owner shall be required to pay all reasonable professional fees (including legal, architect, engineering and other professionals and consultants) and disbursements incurred by the Condominium Board to review the Government Document and to review any accompanying drawings and specifications (the foregoing is not applicable to an Unsold Unit Owner or a Commercial Unit Owner, who are exempt from making any such payments); and

(c) such Unit Owner shall indemnify the Condominium Board, its members, officers, attorneys, agents (including the Managing Agent) and employees and all Unit Owners from and against any and all Claims and Liabilities and Expenses arising from the Government Document executed by the Condominium Board and from any related Work performed by, or for, such Owner by such Owner's Agents, Employees and Contractors.

5.2.6 Immunity of Board and Other Unit Owners. The Condominium Board and its members, officers, attorneys, agents (including the Managing Agent) and employees, and Unit Owners (other than the applicable Unit Owner undertaking the Unit Alterations/Repairs) shall not be liable for any Claims or Liabilities and Expenses in connection with the preparation, execution or submission of a Government Document or that may be asserted by: (a) any contractor, subcontractor, materialman, architect, engineer or other professional or consultant on account of any such Unit Alterations/Repairs; or (b) any Person for personal injury or property damage arising therefrom.

5.2.7 Indemnity. The Unit Owner (including Sponsor, an Unsold and a Sold Unit Owner and a Commercial Unit Owner) undertaking such Unit Alterations/Repairs shall indemnify the Condominium Board, its members, officers, attorneys, agents (including the Managing Agent), employees and all other Unit Owners from and against any and all Claims and Liabilities and Expenses arising in connection with such Unit Alterations/Repairs, unless resulting from the wrongful or improper acts or missions, or negligence, of the indemnified Party.

5.2.8 Consent of Sponsor. In addition to the requirements set forth above in this Section 5.2 and in accordance with Section 15.2(k) of the Declaration, until said permanent Certificate of Occupancy for the Building is obtained, no Work (including Unit Alterations/Repairs) shall be undertaken by an Owner, tenant or occupant of a Sold Unit or by the Condominium Board (other than ordinary Maintenance and Repairs that do not require the filing of an alteration application with, or the issuance of a building or construction or work permit or similar authorization from the New York City Department of Buildings or other Governmental Authority) without first obtaining Sponsor's written Discretionary Approval or Consent. Sponsor may (at Sponsor's sole and absolute discretion) condition such approval or consent upon said Sold Unit Owner or the Condominium Board (as applicable) strictly complying with Sponsor's requirements with respect to the same. Such requirements may include, among others, that:

(a) such Work shall not require a change to an existing temporary Certificate of Occupancy of the Building nor delay obtaining an extension of a temporary Certificate of Occupancy or a permanent Certificate of Occupancy of the Building;

(b) the Sold Unit Owner or the Condominium Board (as applicable) shall post with Sponsor a cash deposit, bond or other similar security that is reasonably acceptable to Sponsor in an amount sufficient (in Sponsor's reasonable judgment) to insure the diligent, lien-free completion of the Work and the filing of any required notices or certificates with respect to such Work and the completion of the same with all Governmental Authorities having jurisdiction;

(c) such Work shall not be commenced until the Sold Unit Owner or the Condominium Board (as applicable) 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;

(d) such Work shall be prosecuted with reasonable diligence and continuity to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(e) Sponsor and its representatives shall be given reasonable access and opportunity, from time to time, to inspect and monitor such Work as it progresses;

(f) promptly after the completion of such Work, all necessary governmental inspections, approvals and sign-offs of the same shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate Governmental Authorities and Sponsor shall be given copies of all such inspections, approvals, sign-offs, notices and certifications;

(g) the Sold Unit Owner or the Condominium Board (as applicable) shall indemnify Sponsor from and against any and all Claims and Liabilities and Expenses arising, directly or indirectly, from such Work, including any incurred or suffered by Sponsor due to any violation of Law or due to any delay in obtaining an extension of a temporary Certificate of Occupancy or the issuance of said permanent Certificate of Occupancy of the Building as a result of such Work or the failure to make all appropriate governmental filings in connection with the same; and

(h) 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 (directly or indirectly at the behest, for the benefit, or for the account of Sponsor), such Work shall be performed solely by union members.

If any Sold Unit Owner or the Condominium Board (as applicable) commences or prosecutes any such Work (including Unit Alterations/Repairs) in violation of the foregoing terms and conditions, or fails to comply with the requirements of Sponsor in connection with the same, Sponsor shall be entitled, in addition to all other rights and remedies provided in these By-Laws or the Declaration, or available at Law or in equity, to cause such Work by the Unit Owner or the Condominium Board (as applicable) to be halted, including to cause the Managing Agent to deny access to the Unit and the Building to the Agents, Employees and Contractors and suppliers of such Owner or the Board (as applicable) (other than to remove their tools and Equipment, provided they are accompanied by the Building's superintendent or other person designated by Sponsor), until the Unit Owner or the Condominium Board (as applicable) complies with the same. During the period until such Unit Owner or the Condominium Board (as applicable) is permitted hereunder to resume its Work, Sponsor shall have the right to perform any and all

Work in and to such Owner's Unit or the Common Elements (as applicable) as shall be necessary, in Sponsor's sole and absolute judgment, in order to avoid any delay in obtaining an extension of a temporary Certificate of Occupancy or the issuance of said permanent Certificate of Occupancy of the Building, 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 or the Condominium Board (as applicable). The Cost and Expense of any such Work performed by Sponsor shall be borne by such Unit Owner or the Condominium Board (as applicable) and shall be paid to, and received by, Sponsor within fifteen (15) calendar days of Sponsor giving a reasonably detailed written demand therefor, accompanied by copies of applicable bills of contractors and suppliers and/or a written statement from Sponsor or the hourly wages of Sponsor's employees engaged in performing or overseeing such work.

5.2.9 Sponsor's/Commercial Owner's Right to Alter. The foregoing Unit Alteration/Repair Requirements are applicable only to a Sold Unit, but do not apply to any Unsold Unit or a Commercial Unit. Sponsor, each Unsold Unit Owner and each Commercial Unit Owner shall each have the right ("**Sponsor's/Commercial Owner's Right to Alter**") to Alter its Unit(s) and the Common Elements in accordance with the rights and easements reserved to Sponsor and granted to Unsold Unit Owners and Commercial Unit Owners in the Declaration, these By- Laws and the Plan. Sponsor, each Unsold Unit Owner and each Commercial Unit Owner may exercise Sponsor's/Commercial Owner's Right to Alter Freely and Without Consent, Payment or Restriction, other than the requirement to comply with the applicable Work Requirements set forth in Section 15.2 of the Declaration. Sponsor's/Commercial Owner's Right to Alter includes all Work pursuant to Sponsor's Plans and Specifications, all changes to Units and Common Elements set forth in Article 13 of the Declaration and in the Plan, and all rights and easements reserved to, and granted by, Sponsor in Articles 10, 11 and 12 of the Declaration, including the following rights and easements of Sponsor, Unsold Unit Owners and Commercial Unit Owners, and their respective Agents, Employees and Contractors, which may exercised and performed from time to time, Freely and Without Consent, Payment or Restriction (other than the proviso stated below):

(a) the right and easement to newly install and connect to any Building Equipment and Installations (whether comprising the Residential Limited Common Elements or General Common Elements) any Equipment and Installations now or hereafter servicing any Unsold Unit or Commercial Unit or any portion of each thereof;

(b) the right and easement to thereafter Maintain, Repair, Alter and otherwise Operate such newly installed and connected Equipment and Installations; and

(c) the right and easement to have reasonable access to the Common Elements to perform Work in connection with the foregoing;

provided only that:

(x) such new Equipment and Installations and connections and the subsequent Maintenance, Repair, Alteration and Operation thereof, shall be performed in accordance with the Installation Requirements set forth in Section 10.4.2 of the Declaration and the applicable Work Requirements set forth in Section 15.2 of the Declaration;

(y) the new connections shall not unreasonably and adversely affect any Building Equipment and Installations serving other Units or the Common Elements or otherwise permanently diminish the proper and efficient performance, function, capacity or utility of any Building Equipment and Installations serving other Units or the Common Elements so as to prevent or unreasonably impair the use or Operation of any Unit or Common Element for its intended purpose;

(z) the new connections shall not unreasonably and adversely affect the structural integrity of the Building or any portion thereof or the Operation of the Building or the use of any other Unit for its intended purpose; and

(aa) no new Equipment (other than replacements of existing Equipment or Equipment to be installed in accordance with Sponsor's construction Plans and Specifications) shall be installed after the issuance of a permanent Certificate of Occupancy of the Building that encroaches on any public hallway or the residential lobby or any other ground level or above-grade, indoor rentable space within the public areas of the Residential Limited Common Elements.

The Agents, Employees and Contractors of Sponsor, each Unsold Unit Owner and each Commercial Unit Owner shall be given reasonable access to, from, through, across and on the General Common Elements and Residential Limited Common Elements (including the 130 West 30th Street Public Areas and elevators) to perform such Alterations to an Unsold Unit or a Commercial Unit or the Common Elements, as well as to Maintain, Repair, Alter and otherwise Operate same. Such access includes the right to transport and store materials, supplies and Equipment and to cause a temporary interruption in Building services, but shall be exercised in a reasonable manner so as not to unreasonably interfere with the permitted use or Operation of another Owner's Unit in accordance with the Declaration and By-Laws.

5.2.10 Board Alterations. The Condominium Board shall have the substantially exclusive right and responsibility to make all necessary or desirable Alterations to the Common Elements and the Association's Properties, including Units owned, leased or otherwise held or Operated by the Condominium Board or its nominee or designee (collectively, "**Board Alterations**"). All Board Alterations shall be performed in accordance and compliance with the Declaration and in particular (but not limited to) Sections 14.4 and 14.5 and Article 15 thereof, but subject and subordinate to: (a) all easements and rights expressly reserved to Sponsor and granted to the Unsold Unit Owners and the Commercial Unit Owners in the Declaration, these By-Laws and the Plan; and (b) the Condominium Board obtaining all requisite approvals of Sponsor and/or Commercial Unit Owners before undertaking any Board Alterations as and to the extent set forth in Section 14.5 of the Declaration.

All Board Alterations to:

(a) the General Common Elements or the Association's General Properties permitted pursuant to said provisions of the Declaration shall be made and performed by the Condominium Board and the Costs and Expenses thereof shall be part of the General Common Expenses, which shall be allocated to all Residential and Storage Unit Owners and the amount allocated to a Commercial Unit Owner shall be based strictly on, and limited and restricted to the extent only of, those affected General Common Elements or those affected Association's General Properties that actually serve or are actually utilized by such Commercial Unit Owner as set forth in Section F of the Plan, said First Year's Budget (SCHEDULE B) contained therein, these By-Laws, Article 9 of the Declaration and the Budget Guidelines (EXHIBIT F to the Declaration); and the amount so allocated to all Unit Owners in accordance with the foregoing shall generally be apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount fairly and properly attributable to a Commercial Unit or to the Residential and Storage Units would otherwise require, in which case such fair and proper apportionment shall be used; or

(b) the Residential Limited Common Elements or the Association's Residential Properties permitted pursuant to said provisions of the Declaration shall be made and performed by the Condominium Board and the Costs and Expenses thereof shall be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and

apportioned and assessed among them Pro Rata to their respective Common Interests based on their exclusive or substantially exclusive Usage thereof, in accordance with the Special Allocation and Apportionment Rule and Section 339-m.

5.2.11 Hallway Alterations. A Sold Residential Unit Owner may paint, furnish and otherwise Decorate and Alter the elevator landing or lobby and/or the public corridor or hallway (collectively, "**Hallway Alterations**") leading to the Owner's Sold Residential Unit, if any (but not the public stairs or its landing), on the following terms and conditions:

(a) Owners of a majority in number of the Residential Units (or, if only two, both Owners) sharing the hallway and Sponsor (if Sponsor owns an Unsold Residential Unit that shares the hallway) must first consent in writing to the Hallway Alterations; and

(b) the Hallway Alterations shall be performed and comply with the same requirements applicable to Unit Alterations/Repairs (that is, the Unit Alteration/Repairs Requirements set forth in subsection 5.2.4 above).

Section 5.3 Declaration Governs Maintenance, Repairs and Alterations of Units, Common Elements and Association's Properties

The provisions of the Declaration, and in particular (but not limited to) Articles 13, 14 and 15 thereof, relating to the Maintenance, Repairs and Alterations of the Units, the General Common Elements, the Residential Limited Common Elements and the Association's Properties, are hereby incorporated herein and are paramount and shall govern the duty, right, terms, restrictions, requirements, approvals and consents, if any, of a Unit Owner or the Condominium Board (as applicable) to perform and pay the Costs and Expenses of Maintenance, Repairs and Alterations of the Units, the General Common Elements, the Residential Limited Common Elements and the Association's Properties.

Section 5.4 Negligence, Misuse, Abuse or Neglect

The provisions of this Article 5 to the contrary notwithstanding, in accordance with Section 14.7 of the Declaration, in the event that any Maintenance, Repairs, Alterations or other Work is necessitated by the negligence, misuse, abuse or neglect of:

(a) a Unit Owner or a tenant, licensee or occupant of a Unit, or the Agents, Employees and Contractors of such Unit Owner, licensee or tenant, then the entire Costs and Expenses thereof shall be charged to, and borne by, only such Unit Owner and, if paid by the Board, shall be assessed as a Common Charge against such Owner's Unit and shall be payable solely by such Unit Owner immediately following the giving of a reasonably detailed written demand therefor; or

(b) the Condominium Board or its Agents, Employees and Contractors, then the entire Costs and Expenses thereof shall be specially allocated and assessed to, and shall be payable as follows: (b-1) as to the Work involving only, or fairly and properly allocable to only, the General Common Elements or the Association's General Properties: such Costs and Expenses shall be allocated to all Residential and Storage Unit Owners and the amount thereof allocated to a Commercial Unit Owner shall be based strictly on, and limited and restricted to the extent only of, those affected General Common Elements or those affected Association's General Properties that actually serve or are actually utilized by such Commercial Unit Owner as set forth in Section F of the Plan, said First Year's Budget (SCHEDULE B) contained therein, these By-Laws,

Article 9 of the Declaration and the Budget Guidelines (EXHIBIT F to the Declaration); and the amount so allocated to all Unit Owners in accordance with the foregoing shall generally be apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount fairly and properly attributable to a Commercial Unit or to the Residential and Storage Units would otherwise require, in which case such fair and proper apportionment shall be used; or (b-2) as to the Work involving only, or fairly and properly attributable to only, the Residential Space or the Association's Residential Properties: such Costs and Expenses shall be included in the Residential Common Expenses, which shall be specially allocated to, and shall be payable only by, all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests based on their exclusive or substantially exclusive Usage thereof, in accordance with the Special Allocation and Apportionment Rule and Section 339-m of the Condominium Act.

Nothing contained herein shall be deemed a waiver of any Claims the Board or a Unit Owner may have against an insurer or otherwise. In addition, if the liability of a Unit Owner under the preceding clause (a) is the result of a casualty caused by the negligence, misuse, abuse or neglect of such Unit Owner (or other party set forth in clause (a) above) and such casualty is insured under a policy maintained by the Condominium Board containing a waiver of subrogation or equivalent provision, then such Unit Owner's liability shall be reduced by the amount of any insurance proceeds received and collected by the Condominium Board in connection therewith.

Section 5.5 **Damages Necessitated by Repairs or Alterations**

5.5.1 Damages to Common Elements or Association's Properties. Any damages to the General Common Elements, the Residential Limited Common Elements or the Association's Properties resulting from any permitted or necessary Repair, Alteration or other Work undertaken by an Owner, tenant or occupant of a Unit shall be Repaired by the Condominium Board and the Costs and Expenses thereof shall be paid or reimbursed to the Board (as directed by the Board) by the Owner of such Unit as part of the Common Charges assessed to the Unit. The amount owed is to be paid or reimbursed within ten (10) calendar days after a reasonably detailed written statement or bill therefor is given to such Unit Owner, together with copies of supporting bills or invoices from contractors and/or the Condominium Board for time charges of the Building staff or the Board's agents, architect, engineer or other consultant engaged in the Repair Work (if any), and copies of bills for materials and supplies, for which payment or reimbursement is sought. Nothing herein shall be construed to permit an Owner, tenant or occupant of a Unit to undertake any Repair, Alteration or other Work without obtaining any required prior written Discretionary or Reasonable Approval or Consent of the Condominium Board or Sponsor (if and as applicable) set forth in the Declaration or these By-Laws.

5.5.2 Damages to Unit. In the event any Repairs, Alterations or other Work undertaken by the Condominium Board requires the removal of any floor, wall or ceiling coverings or other Decorations of a Unit (including the pavers or tiles or other flooring constituting a Terrace or Planting Terrace), or necessitates such coverings or Decorations to be damaged due to openings or penetrations of floors, walls or ceilings of a Unit or otherwise, the Condominium Board shall restore the affected floors, walls and ceilings to only Building standard condition and finish (i.e., as constructed by Sponsor in accordance with Sponsor's Plans and Specifications), without additions, improvements or Decorations made or installed by the Owner, tenant or occupant of the Unit. The Owner of such Unit shall have the sole risk for any damage to said coverings and Decorations of the Unit and the sole responsibility, at such Owner's sole Cost and Expense, to re-install, restore, replace and otherwise Repair same (to the extent required by Law), without recourse against the Board or other Unit Owners therefor or for any losses or damages (whether actual, consequential, incidental, special, indirect or otherwise)

resulting therefrom. The foregoing shall not excuse the Board from liability for any losses or damages to a Unit, or its Equipment, Installations or Decorations, or to the personal property of the Owner, tenant or occupants of a Unit, resulting from negligence or wrongful acts or omissions by the Condominium Board or its Agents, Employees and Contractors.

ARTICLE 6

INSURANCE

Section 6.1 Insurance Requirements for the Condominium Board

At the First Closing of a Residential Unit under the Plan, Sponsor will provide at the expense of the Condominium Board, the insurance coverage disclosed in a note to the First Year's Budget set forth as SCHEDULE B in Part I of the Plan. Thereafter, the Condominium Board will maintain such insurance to the extent obtainable regardless of whether same is obtainable at reasonable rates (unless otherwise noted). However, the Condominium Board may change the insurance from time to time, but may not eliminate insurance coverage that is obtainable and is required to be maintained under the By-Laws. In addition, the Condominium Board may not increase decrease, eliminate or otherwise change the amounts or types of insurance coverage in said SCHEDULE B during only the Sponsor Veto Control Period unless the prior written Discretionary Approval or Consent of Sponsor is given as provided in subsection 2.5.8 hereof.

Section 6.2 Fire and Casualty Insurance

6.2.1 Coverage and Insured Parties. The Board shall obtain and maintain fire insurance with all risk coverage, vandalism and malicious mischief endorsements, insuring the Common Elements, including the walls separating the Units from the Common Elements and from each other, and the Building standard bathroom and kitchen fixtures and covering the interests of the Condominium Board and all Unit Owners and their mortgagees, as their respective interests may appear, in an amount equal to 100% of the full replacement value of the portions of the Property required to be insured against loss or damage pursuant to this clause (exclusive of foundations and footings), without deduction for depreciation.

6.2.2 Amount and Special Provisions. The fire and casualty insurance coverage shall be not less than an amount which shall be sufficient for the insurer to waive any co-insurance requirement or is based on an "Agreed Amount" replacement cost (or comparable term). In addition, such fire and casualty policies shall contain (if available at reasonable rates):

(a) waivers of: (a-1) subrogation in favor of Owners and designated tenants of Units, (a-2) any defense based upon co-insurance or other insurance, (a-3) invalidity arising out of the acts of an insured party and (a-4) pro rata reduction of liability;

(b) a provision that any adjustment of loss will be made by the Condominium Board (notwithstanding such provision, each Commercial Unit Owner shall have the right to settle and adjust a claim for loss to such Owner's Commercial Unit on the terms and conditions set forth in subsection 6.9.3 below) and that all proceeds will be paid to the Condominium Board or (at the option of the Board) an Insurance Trustee appointed pursuant to these By-Laws where the Board is to restore the damaged area in accordance with these By-Laws;

(c) a New York Standard Mortgagee provision in favor of each Permitted Mortgagee, subject and subordinate however to the preceding loss payment provisions in favor of the Condominium Board or (at the option of the Board) Insurance Trustee; and

(d) a provision preventing the policy from being canceled or substantially modified unless at least ten (10) calendar days' prior written notice is given to all insured parties, including all Registered Mortgagees who have requested same from the Condominium Board in writing.

6.2.3 Appraisal. Before obtaining any policy of property casualty insurance or any renewal thereof, the Condominium Board may obtain an appraisal from a property insurance company or otherwise of the full replacement value of the portions of the Property, exclusive of foundations and footings, and without deduction for depreciation, for the purposes of determining the amount of such property casualty insurance to be obtained pursuant to this Section. Any such appraisal of the Building obtained within twelve (12) months preceding the date of issuance of said property casualty insurance policy or a renewal thereof shall suffice for this purpose.

6.2.4 Proof of Insurance. Duplicate originals of all policies of property casualty insurance and of all renewals thereof, together with proof of payment of the premiums, shall be delivered to Sponsor or its successors and assigns as Owner of an Unsold Unit and a Registered Mortgagee of an Unsold Unit at least thirty (30) calendar days prior to the expiration of the then current policies.

6.2.5 Excluded From Coverage. The property casualty insurance shall not cover the Decorations or finishes of walls, floors or ceilings of the Common Elements (unless otherwise determined by the Condominium Board) or of any Unit not owned, leased, held or Operated by the Board (or its nominee or designee), or the contents of any such Unit (including in the case of a Residential or Commercial Unit, its appliances, fixtures, furniture, furnishings, Decorations and other personal property, other than the Building standard bathroom and kitchen fixtures). However, the Residential Board Members may obtain such coverage provided and on condition that the Residential and Storage Unit Owners pay the entire amount of the additional premium therefor.

Section 6.3 **Liability Insurance**

6.3.1 Coverage. The Condominium Board shall obtain and maintain commercial general liability coverage written on the Insurance Services Office form - 1986 or later (containing the so-called "occurrence clause"), or equivalent comprehensive general liability coverage, with respect to ownership, Operation, Maintenance, use and control, insuring against liability for injury or damage to persons or property in or upon the Common Elements, the Immediately Adjacent Sidewalks to the Property, the Vaults and the Association's Properties (including) all Units or other property (if any) owned, leased, held or Operated by the Condominium Board, or its nominee or designee). The Condominium Board may, in its discretion, obtain umbrella liability insurance in such amounts in excess of that (if any) provided in the First Year's Budget (SCHEDULE B in Part I of the Plan) as the Condominium Board may determine from time to time.

6.3.2 Amount. The liability coverage shall be in such amounts as the Condominium Board may determine from time to time, but shall not be reduced below the amount set forth in the First Year's Budget (SCHEDULE B in Part I of the Plan) without obtaining the prior written Discretionary Approval or Consent of Sponsor during only the Sponsor Veto Control Period (as provided in subsection 2.5.8 above). The Condominium Board shall review the amounts of liability coverage at least once each Budget Year.

6.3.3 Insured Parties. The liability policies shall list as co-insureds: (a) the Condominium Board and each and every member and officer thereof; (b) the Managing Agent or manager (if any); (c) each agent and employee of the Condominium Board; (d) each Unit Owner; and (e) (if required by the terms of a Registered Mortgage of a Unit) the holder of such Registered Mortgage, as their respective interests may appear.

6.3.4 Excluded from Coverage. Such insurance shall not cover liability of a Unit Owner arising from occurrences within or on the Owner's Unit (including its Terrace or Planting Terrace, if any). This exception shall not apply to any Unit owned, leased, held or Operated by the Condominium Board or its nominee or designee.

6.3.5 Proof of Insurance. Duplicate originals of all policies of liability insurance and of all renewals thereof, together with proof of payment of premiums for such liability coverage shall be given to Sponsor or its successors and assigns, as Owner of an Unsold Unit, within ten (10) calendar days after being requested.

Section 6.4 **Boiler and Machinery Insurance**

The Condominium Board shall obtain and maintain boiler and machinery insurance on Equipment constituting part of the Common Elements or the Association's Properties (including any Unit owned, leased, held or Operated by the Board, or its nominee or designee), but not any Equipment that is part of any other Unit (which may be separately insured by the Owner of such Unit).

Section 6.5 **Workmen's Compensation**

The Condominium Board shall obtain and maintain workmen's compensation insurance, New York State disability benefits insurance and employer's liability coverage covering any employees hired by the Condominium Board.

Section 6.6 **Other Insurance**

The Condominium Board shall also obtain and maintain the following insurance to the extent available at reasonable rates: (a) business interruption insurance, including loss of rents in an amount equal to the Common Charges for at least 12 months; (b) water damage legal liability insurance; (c) elevator liability and collision insurance; (d) non-owned and hired automobile liability insurance; (e) combination crime insurance, including blanket employee dishonesty, forgery or alteration, covering the members and officers of the Condominium Board, the Managing Agent (if any) and employees (if any) handling funds of the Condominium Board; (f) officers and directors liability insurance for officers and members of the Condominium Board; and (g) such other or additional insurance as the Condominium Board shall determine from time to time.

Section 6.7 **Insurance Covering Work Performed by Board**

In connection with Work performed by or on behalf of the Condominium Board, if not already covered by insurance policies then maintained by the Condominium Board, the Condominium Board shall also obtain and maintain installation floater coverage in an amount equal to the cost of the contract for any Work performed by or on behalf of the Condominium Board on the Property or cause its contractors to maintain equivalent insurance, naming the Condominium Board, all Unit Owners and the Registered Mortgagees as their interests may appear, except that such insurance shall not be required if the estimated cost of such Work is less than One Hundred Thousand ($100,000) Dollars.

Section 6.8 **Insurance Amounts and Deductibility**

To the extent not specified above, all such insurance shall be in such amounts and may provide for such deductible amounts as the Condominium Board may determine from time to time in its sole and absolute discretion, but subject to obtaining Sponsor's prior written Discretionary Approval or Consent during only the Sponsor Veto Control Period.

Section 6.9 **Adjustment and Payments**

6.9.1 Adjustments by Board. All of the above policies shall provide that adjustment of loss shall be made by the Condominium Board and all policies of property casualty insurance shall provide that the proceeds of insurance shall be paid as follows: (a) to the Condominium Board, if $1,000,000.00 or less; or (at the option of the Condominium Board) (b) to the Insurance Trustee, if in excess of $1,000,000.00.

6.9.2 Payments. In either instance, all such insurance proceeds actually received by the Board or Insurance Trustee shall be held in trust for the benefit of the following and shall be disbursed as provided in Article 7 below:

(a) the Residential and Storage Unit Owners and their respective Permitted Mortgagees in the case of a loss to the Residential Space or a portion thereof;

(b) the applicable Commercial Unit Owner and its Permitted Mortgagee in the case of a loss to the such Owner's Commercial Unit or a portion thereof; or

(c) all Unit Owners and their respective Permitted Mortgagees in the case of a loss to the General Common Elements.

6.9.3 Commercial Units. The foregoing notwithstanding, each Commercial Unit Owner shall have the right to settle and adjust any claim for a loss to such Owner's Commercial Unit or any portion thereof and/or such Unit's individual Equipment and Installations, provided that the insurance proceeds applicable to a loss to any other Unit or the Common Elements shall not be reduced thereby.

6.9.4 Insurance Trustee's Fees and Disbursements. The fees and expenses of any Insurance Trustee shall be paid by the Condominium Board as a Common Expense, which shall be specially allocated by the Board Pro Rata to the portion of the insurance proceeds to be applied to Repair the Residential Space, the Commercial Units, the General Common Elements, and the Association's Residential and General Properties. Accordingly, the fees and expense of the Insurance Trustee shall be specially allocated and assessed by the Board as follows: (a) such portion of the Insurance Trustee's fees and expenses allocated to the Residential Space or the Association's Residential Properties shall be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and Section 339-m; (b) such portion of the Insurance Trustee's fees and expenses allocated to the Commercial Units shall be specially allocated and assessed to only the Commercial Unit Owners in accordance with the Special Allocation and Apportionment Rule and said Section 339-m; and (c) such portion of the Insurance Trustee's fees and expenses allocated to the General Common Elements and the Association's General Properties shall be included in the General Common Expenses, which shall be allocated to all Residential and Storage Unit Owners and the amount allocated and assessed to each Commercial Unit Owner shall be limited and restricted strictly to the extent required to reflect the amount thereof fairly and properly attributable to such Commercial Unit Owner based solely on its Usage of those affected General Common Elements or

those affected Association's General Properties to be Repaired that actually serve or are actually utilized by such Commercial Unit Owner (the amount so allocated to all Unit Owners shall generally be apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount fairly and properly apportioned to a Commercial Unit Owner or to the Residential and Storage Unit Owners would otherwise require, in which case such fair and proper apportionment shall be used).

Section 6.10 **Allocation of Insurance Premiums**

Unless otherwise expressly provided elsewhere in the Declaration or these By-Laws, the premiums for insurance maintained by the Condominium Board in accordance with this Article 6 shall be a General Common Expense, which shall be allocated to all Unit Owners (and apportioned and assessed among them Pro Rata to their respective Common Interests), subject to a Commercial Unit Owner paying the amount of the increase in the Property's insurance premium (if any) caused solely by the use of such Commercial Unit for other than residential purposes as provided in said Section F of the Plan, the First Year's Budget (SCHEDULE B) contained therein, these By-Laws, Article 9 of the Declaration and the Budget Guidelines (EXHIBIT F to the Declaration), and subject further to the exclusive right of each Commercial Unit Owner to limit the amount of its allocable share thereof to strictly reflect the amount fairly and properly attributable to such Owner's Commercial Unit based on: (a) in the case of fire and casualty insurance: the sum of the square footage of such Owner's Commercial Unit plus its allocable share of the square footage of those portions of the General Common Elements that actually serve or are actually utilized by such Commercial Unit (based on the Common Interest of such Commercial Unit) relative to the gross square footage of all areas being insured; and (b) in the case of liability insurance: the product of the Common Interest of such Commercial Unit multiplied by a fraction whose numerator is the square footage of those General Common Elements that actually serve or are actually utilized by such Commercial Unit and whose denominator is the total square footage of all Common Elements being insured.

Section 6.11 **Insurance Requirements for Unit Owners**

6.11.1 General Prohibitions. A Unit Owner shall not:

(a) do or permit or suffer any act or thing to be done in or to such Owner's Unit that will, with reasonable likelihood, invalidate, or invalidates, or be in conflict with, any public liability, property or other policy of insurance at any time carried by the Condominium Board with respect to the Property, except no such policy maintained by the Condominium Board shall conflict with or prohibit any use of a Unit permitted under the Declaration;

(b) keep anything in its Unit that is prohibited by the Fire Department, Board of Fire Underwriters, or a fire insurance rating organization or other authority having jurisdiction;

(c) permit or suffer a Unit to be used in any manner that will, with reasonable likelihood, increase, or increases, the insurance rate for the Property over that in effect as of the First Closing of a Residential Unit (including uses permitted and intended by the Declaration), unless the Unit Owner responsible for such increase pays the additional cost thereof as provided in the following subsection 6.11.2; or

(d) perform or cause to be performed any Work affecting the Common Elements without first obtaining and continuously maintaining until the Work is completed, at the sole Cost and Expense of such Unit Owner, the insurance required in subsection 6.11.3 below.

6.11.2 Unit Owner Liability for Default or Hirer Rate. Any costs, expenses, fines, penalties or damages which shall be imposed upon the Condominium Board by reason of a default by a Unit Owner in performing its obligations under this Section 6.11 or by reason of any increase in the premium charged for insurance carried by the Condominium Board resulting from a higher insurance rate for the Property attributable to a use of an Owner's Unit or a portion thereof, including uses permitted and intended by the Declaration, shall be assessed as a Common Charge against only such Unit and shall be payable solely by the Owner of such Unit. Accordingly, the amount of the increase in the Property's insurance premium (if any) caused solely by the use of a Commercial Unit for other than residential purposes shall be specially allocated and assessed to only the Owner of such Commercial Unit pursuant to Section 6.10 above. For all purposes hereunder, a schedule or "make-up" of rate for the Property issued by the New York Fire Insurance Exchange or other body making fire insurance rates applicable to the Property shall be conclusive evidence of the facts therein stated and of the several items and charges in the fire insurance rate or rates then applicable to the Property.

6.11.3 Work by Unit Owner. A Unit Owner, at such Owner's sole Cost and Expense, shall maintain or cause to be maintained by its contractor or otherwise the following insurance during its performance of any Work, other than Work exclusively within its Unit not affecting any of the Common Elements:

(a) Workmen's Compensation and Disability Benefits Insurance as required by the Laws of the State of New York and Employer's Liability Insurance;

(b) Commercial General Liability and Products/Completed Operations Coverage to the extent such insurance coverage is not included in a policy maintained by the Condominium Board, including the Condominium Board, its agents, successors and assigns, and any tenant or tenants of the Unit as additional insureds with a minimum limit of $1,000,000.00 each occurrence and $2,000,000.00 in the aggregate. Additional Commercial General Liability coverage extensions required: This Insurance is Primary Endorsement; Contractual Liability; Per Project Aggregate; and Waiver of Subrogation; and

(c) Installation floater coverage in an amount equal to the cost of the contract for any Work performed in the Common Elements, naming as additional insureds the Unit Owners, the Condominium Board, and any mortgagee of the Unit Owner performing such Work, as their interests may appear, except that such insurance shall not be required if the estimated cost of the Work in the Common Elements is less than One Hundred Thousand ($100,000) Dollars and is covered by insurance policies maintained by the Condominium Board.

Section 6.12 **General Insurance Matters**

The policies of insurance required to be maintained under this Article 6 shall meet the following criteria:

(a) The policies of insurance shall be from a company rated in the A.M. Best Key Rating Guide with ratings of at least A- and of at least VI and such company shall be licensed to do business in the State of New York.

(b) The policies shall contain a provision that before any change or cancellation of a policy, at least thirty (30) calendar days' advance written notice by certified mail, return receipt requested, shall be given: (b-1) in the case of insurance maintained by the Condominium Board under Sections 6.2 to 6.7 above, to all Unit Owners and Registered Mortgagees; and (b-2) in the case of insurance maintained by a Unit Owner under subsections 6.11.1 and 6.11.3, to the Condominium

Board. All policies required to be obtained by the Condominium Board pursuant to this Article shall be renewed or replaced at least ten (10) calendar days prior to the expiration of the then current term.

(c) All policies for property insurance maintained by the Condominium Board under Section 6.2 above shall contain waivers of subrogation and generally all policies maintained by the Condominium Board shall also cover cross-liability claims of one insured against another insured.

(d) All policies shall acknowledge that all Unit Owners are deemed additional insureds for any liability insurance and loss payees for property insurance although not individually named and that the Condominium Board is authorized to sign all checks for payment of proceeds or other instruments required in connection with the processing, payment and settlement of claims on such Unit Owner's behalf (other than the Unit Owner owning the policy under which such proceeds are paid).

(e) Each liability policy shall be endorsed with a severability of interest endorsement, if not otherwise included, stating that if a claim is brought by one insured against another insured under such policy, or by an employee of one insured against another insured under such policy, each insured shall be considered a separate insured for purposes of the insurance and shall meet the following additional criteria: (e-1) the policies shall be written with a contractual liability endorsement, if not otherwise included, providing coverage for bodily injury or property damage assumed under any type of written contract, except any contract under which the insured assumes liability for the sole negligence of an indemnitee; and (e-2) the policies shall be written to specifically include coverage for legal liability for damage of any part of the Property by fire.

(f) Any policies required to be furnished by a Unit Owner pursuant to Section 6.11 above may be maintained by the Unit Owner under a blanket policy or policies; provided, however, that the minimum amount of the total insurance afforded by such blanket policy which shall be allocable to the Owner's Unit(s) and the Work to be performed and any sublimits of such policy allocable to the Unit(s) shall be in amounts which shall not be less than the amounts of the insurance required hereunder and the protection afforded under such policy shall be not less than which would have been afforded under a separate policy or policies, and the certificate evidencing such insurance shall contain provisions confirming the foregoing. Certificate(s) evidencing the existence of any policy required to be maintained by a Unit Owner under Section 6.11.3 above shall be delivered to the Condominium Board with evidence of the payment of the premiums therefor not less than fifteen (15) calendar days prior to the commencement of the Work. Within ten (10) calendar days prior to the expiration or termination date of any policy, the Unit Owner shall deliver a renewal or replacement policy, or certificate(s) evidencing the existence thereof, to the Condominium Board together with proof of the payment of the premium therefor.

(g) All of the conditions contained in Section 6.12 (b) above are required only to the extent obtainable at reasonable rates from any insurance company meeting the requirements set forth in Section 6.12(a) above.

(h) The requirements set forth in subsection 6.11.3 and this Section 6.12 shall be referred to herein collectively as the **"Insurance Conditions"**.

(i) The Condominium Board may amend or waive any of the Insurance Conditions from time to time and/or adopt different or additional requirements in lieu of the Insurance Conditions set forth herein.

(j) Without limiting the remedies of the Condominium Board for a Unit Owner's default, in the event that any Unit Owner fails to provide evidence of insurance required to be provided by such Unit Owner hereunder and does not cure such default within three (3) business days after request therefor is given by the Condominium Board, the Condominium Board shall be authorized (but not required) to procure such coverage in the amounts stated with all costs thereof to be assessed against such Unit Owner's Unit as a special Common Expense payable entirely by such Unit Owner as part of the Unit's Common Charges.

(k) Neither the issuance of any insurance policy hereunder, nor the minimum limits specified herein with respect to a Unit Owner's insurance coverage, shall be deemed to limit or restrict in any way such Unit Owner's liability in connection with or arising out of such Owner's Work and the indemnification obligations set forth in the Declaration and these By-Laws.

(l) Each Unit Owner may carry for such Owner's own benefit insurance which is in addition or supplemental to that required herein, provided that the insurance coverage for the Condominium Board and other Unit Owners pursuant to this Article 6 shall not be diminished or otherwise adversely affected by reason of any such supplemental or additional insurance carried by such Unit Owner.

ARTICLE 7

DAMAGE OR DESTRUCTION OF BUILDING

Section 7.1 **Substantial Destruction or Damage**

If three-fourths or more of the Building is destroyed or substantially damaged by casualty ("**Substantial Casualty**") and 75% or more in number of Unit Owners do not duly resolve to proceed with the repairs or restoration (herein collectively called "**Repairs**") within sixty (60) calendar days after the Condominium Board gives notice to all Unit Owners stating whether the net amount of any insurance proceeds payable on account of the loss will be sufficient to pay the estimated cost of the Repairs, then the Repairs or restoration shall not be made and the Property or so much thereof as shall remain shall be subject to an action for partition at the suit of any Unit Owner or lienor as if owned in common. In the event of a partition action, the net proceeds of sale, together with the net proceeds of insurance policies, if any, shall be considered as one fund and shall be divided among all Unit Owners Pro Rata to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of such Unit Owner's share of such fund all unpaid liens or such Owner's Unit in the order of priority of such liens (including liens of mortgages and liens of the Condominium Board). The Condominium Board and its nominee or designee shall have no voting rights with respect to any Units owned by each of them and such Parties and Units shall be excluded from the base number of Owners and Units for quorum and voting purposes in determining whether such 75% threshold is met.

Section 7.2 **Insurance Trust Funds**

7.2.1 Trust Funds. The proceeds of insurance policies receivable by reason of such casualty shall be payable to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to either the Condominium Board or (at the option of the Condominium Board) an Insurance Trustee, appointed by the Condominium Board, if the same shall exceed $1,000,000 in the aggregate. In either instance, all such monies actually received (hereinafter referred to as the "**Insurance Trust Funds**") shall be held in trust for the benefit of all Unit Owners and their Permitted Mortgagees, and shall be disbursed pursuant to the terms of this Article 7.

7.2.2 Commercial Units. Notwithstanding anything to the contrary contained either in the foregoing subsection 7.2.1 or elsewhere in this Article 7, each Commercial Unit Owner may settle or adjust any insurance Claim for a casualty affecting such Owner's Commercial Unit (including its Equipment and Installations), provided that the insurance proceeds received by any other Unit Owner or the Condominium Board is not reduced thereby.

Section 7.3 **Repairs**

7.3.1 Repair of Common Elements. If the requisite number of Unit Owners resolve to proceed with the Repairs or restoration following a Substantial Casualty or if less than three-fourths of the Building is destroyed or substantially damaged by casualty, the Condominium Board shall arrange for Repairs to be made promptly to the Common Elements, including: (a) the perimeter walls enclosing Units (consisting of: the outdoor brick, masonry or other construction material of the Building Walls; the furring on the indoor side thereof, such as studs, sheetrock and/or plaster; and the Party Walls separating a Unit from another Unit or a portion of the Common Elements); (b) all Equipment, Installations and other Facilities serving Units that are part of the Common Elements and not expressly stated to be part of a Unit; and (c) any other parts of the Property for which the Condominium Board carries insurance covering such destruction or damage (such as: the Building standard bathroom and kitchen fixtures of Residential Units, but not the other portions, Decorations or contents thereof; and painting, coverings, finishes, treatments or Decorations on walls, floor and ceiling comprising of the Common Elements).

7.3.2 Order of Priority of Payments. The Condominium Board or the Insurance Trustee (if any), as the case may be, shall disburse the Insurance Trust Funds as follows: first, to pay the Costs and Expenses incurred by the Condominium Board to recover the award; and second, the balance ("**Net Insurance Trust Funds**") to pay to the contractors engaged in making such Repairs in appropriate progress payments.

7.3.3 Order of Priority of Repairs. If Repairs or restoration are to be performed in or to Units, Common Elements that serve or enclose Units and other Common Elements or any combination of the foregoing, Repairs or restoration shall be performed, to the extent practicable and economical: first, in or to the Common Elements that serve, enclose or provide access to Units and are required to legally use and occupy the Units for the purposes set forth in the Declaration; second, in or to the Units; and third, in or to the other Common Elements.

7.3.4 Board Authority for Repairs. The following Board Members, on behalf of the Condominium Board, shall promptly arrange the Repairs to the affected Units and Common Elements indicated:

(a) those Board Members attending a duly constituted Board meeting at which a quorum is present shall promptly arrange for Repairs to the affected General Common Elements;

(b) those Residential Board Members (including Sponsor Board Members and Independent Board Members) attending a duly constituted meeting of the Residential Board Members at which a quorum is present, on behalf of the Condominium Board, shall promptly arrange for Repairs to the affected Residential Units, Storage Units, Residential Limited Common Elements and (if established) a Residential Unit's Individual Residential Limited Common Element (including, in the case of Residential Units, the Building standard bathroom and kitchen fixtures and Installations existing at the date of issuance of the permanent Certificate of Occupancy of the Building, but excluding all other appliances, furniture, furnishings, Decorations, household items and other personal belongings and property of the Owners or occupants of Residential Units); and

(c) the Commercial Board Members on behalf of the Condominium Board or (at exclusive option of the applicable Commercial Unit Owner) each Commercial Unit Owner in lieu of the Commercial Board Members shall promptly arrange for Repairs to the boundary walls, floors and ceilings enclosing such Owner's Commercial Unit.

Those Board Members or the applicable Commercial Unit Owner arranging the Repairs or restoration shall make all decisions relating to, and shall supervise, the Repair or restoration of the affected areas to be Repaired or restored.

7.3.5 Unit Owners. Each Unit Owner whose Unit, or any portion thereof, shall be the subject of all or part of any Repairs to be performed by the Board shall be kept reasonably informed as to the scheduling and progress of Repairs to the Owner's Unit (but may not supervise or otherwise interfere with the performance of such Repairs, unless otherwise expressly provided). Each Unit Owner shall be responsible to arrange, directly pay and perform all Repairs to the interior of such Owner's Unit (excluding any Repairs to be made by the Board, but including: all coverings, finishes, treatments and other Decorations of walls, floors and ceilings; and all Equipment and Installations forming a part of the Unit, other than the Building standard bathroom and kitchen fixtures to be included in the Repairs to be made by the Board) to the extent such Repairs are required to be made by applicable Law.

Section 7.4 **Allocation of Net Insurance Trust Funds**

In the event of a casualty to the Common Elements that is to be included in the Repairs (and is not subject to an action for partition under Section 7.1 above), the Net Insurance Trust Funds shall be allocated to the affected General Common Elements, Residential Limited Common Elements, Commercial Limited Common Elements (if established) and Individual Limited Common Elements (if established) Pro Rata to the Costs and Expenses to Repair or restore same. Each Commercial Unit Owner may dispute the allocation to its Commercial Unit and submit the controversy to arbitration in accordance with Article 19 below. The amount so allocated shall then be applied for the account of the following Unit Owners: (a) in the case of the General Common Elements: those Unit Owners who utilize or are served by the affected General Common Elements ("**Applicable Unit Owners**"); (b) in the case of the Residential Space: the Residential and Storage Unit Owners only; or (c) in the case of a Commercial Unit: the applicable Owner of such Commercial Unit only. The share of each of the Applicable Unit Owners in the portion of the Net Insurance Trust Funds allocated to the General Common Elements shall be Pro Rata to the Owner's Common Interest.

Section 7.5 **Insufficient Trust Funds**

If the Net Insurance Trust Funds shall be less than sufficient for the Condominium Board to discharge the Costs and Expenses of performing the Repairs or restoration, the Condominium Board shall levy a Special Assessment (as provided in the following sentence) for the amount of such deficiency and the proceeds of such Special Assessment shall become part of the Net Insurance Trust Funds. Such Special Assessment shall be levied as follows:

(a) in the case of said deficiency to Repair or restore the General Common Elements: the Special Assessment shall be a General Common Expense, which shall be allocated to, and shall be payable by, only all Applicable Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests;

(b) in the case of said deficiency to Repair or restore the Residential Space: the Special Assessment shall be a Residential Common Expense, which shall be specially allocated to, and shall be payable by, only all Residential and Storage Unit Owners and apportioned and assessed among

them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and Section 339-m; or

(c) in the case of said deficiency to Repair or restore a Commercial Unit: such Special Assessment shall be specially allocated and assessed to, and shall be payable solely by, the Owner of such Commercial Unit in accordance with the Special Allocation and Apportionment Rule and Section 339-m.

Section 7.6 **Surplus Trust Funds**

If, conversely, the Net Insurance Trust Funds shall prove to be more than sufficient to discharge the Costs and Expenses of performing the Repairs or restoration, such surplus shall be distributed as follows:

(a) if the surplus relates to the General Common Elements: such surplus shall be allocated to all Applicable Unit Owners and distributed among them Pro Rata to their respective Common Interests;

(b) if the surplus relates to the Residential Space: such surplus shall be specially allocated to only the Residential and Storage Unit Owners and distributed among them Pro Rata to their respective Common Interests; or

(c) if the surplus relates to a Commercial Unit: such surplus shall be specially allocated and distributed to only the Owner of such Commercial Unit.

Section 7.7 **Lien Priority**

No payment of any insurance proceeds or surplus Net Insurance Trust Funds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share thereof, such amounts as may be necessary to pay off all unpaid liens on the Unit Owner's Unit (including the liens of mortgages and the liens of the Condominium Board) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event a Special Assessment is levied pursuant to the terms of Section 7.5 above for any projected deficiency in the amount of the Net Insurance Trust Funds available to the Condominium Board and, after the payment of all Costs and Expenses incurred in connection with the Repairs or restoration, any portion of the Net Insurance Trust Funds remains unspent, such surplus Net Insurance Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be refunded to the appropriate Unit Owners Pro Rata to the amount each had paid pursuant to such Special Assessment, free of any claim of any lien or (including any mortgagee) other than the lien of the Condominium Board.

Section 7.8 **Abatement in Common Charges**

7.8.1 Abatement. Except as otherwise provided in the following sentence and subsection 7.8.2 below, if, as a result of a destruction or damage, a Unit is rendered wholly or partially unusable for the purposes permitted in the Declaration, or the means of reasonable access thereto is prevented, as a result of a destruction or damage, the Common Charges otherwise payable by the Owner thereof shall proportionately abate until such Unit shall again be rendered useable for the purposes permitted in the Declaration and/or until the means of reasonable access thereto shall be restored, as the case may be. However, if the Common Charges of a Residential or Storage Unit is abated, such abatement shall not excuse the other Residential and Storage Unit Owners from the obligation to pay the full amount of the General Common Expenses payable by such group of Unit Owners. The amount of abatement shall be determined by the applicable Board Members, in their discretion, reasonably exercised.

7.8.2 Exception. The foregoing notwithstanding, if the destruction or damage shall be caused by an act, omission or negligence of the Owner, occupant, visitor or tenant of the affected Unit or their respective Agents, Employees and Contractors, the Common Charges otherwise payable by such Owner shall abate to the extent only of any proceeds of business interruption or similar insurance actually collected by the Condominium Board with respect to such affected Unit.

ARTICLE 8

COMMON CHARGES

Section 8.1 **Determination of Common Charges**

8.1.1 Declaration Governs. The projected Common Profits and projected Common Expenses of the Operation of the Common Elements and the affairs of the Condominium shall be specially allocated and apportioned by the Condominium Board, in a manner different from the "common profits and expenses" under the Condominium Act, to one or more Unit Owners pursuant to the Special Allocation and Apportionment Rule set forth in Article 9 of the Declaration, Section 339-m of the Condominium Act, Section F in Part I of the Plan, the First Year's Budget (SCHEDULE B) contained in said Section F, the Budget Guidelines (EXHIBIT F to the Declaration) and these By-Laws. The provisions of the Declaration, including in particular (but not limited to) Article 9 thereof, are hereby incorporated herein and are paramount and shall govern the principles, rules, requirements and procedures applicable to the determination, allocation, apportionment and assessment of the Common Profits and the Common Expenses, and the resulting Common Charges payable by each Unit Owner. In the event of any inconsistency between the Declaration and these By-Laws, the Declaration shall govern and prevail.

8.1.2 Determination by Board

The Condominium Board shall determine the Common Expenses each Budget Year in accordance and compliance with the requirements of Sections 9.2 and 9.3 of the Declaration and the procedure set forth in Section 9.4 of the Declaration. In accordance therewith:

(a) the annual Budget of General Operation (as provided in Article 9 of the Declaration) shall be determined by majority of those Residential and Commercial Board Members attending a duly constituted meeting of the Condominium Board at which a quorum is present; and

(b) the annual Budget of Residential Operation (as provided in Article 9 of the Declaration) shall be determined by majority of only those Residential Board Members attending a duly constituted meeting of the Residential Board Members at which a quorum is present.

All references to the Condominium Board in this Article 8 shall mean: (a) the Residential and Commercial Board Members with respect to any matter involving the General Common Expenses, the General Common Charges or Special Assessments to pay the General Common Expenses; or (b) only the Residential Board Members with respect to any matter involving only the Residential Common Expenses, the Residential Common Charges or Special Assessments to pay the Residential Common Expenses.

8.1.3 Allocation and Apportionment. The projected General Common Expenses under each adopted annual Budget shall generally be allocated to all Residential and Storage Unit Owners and the amount allocated to each Commercial Unit Owner shall in all cases be limited and restricted strictly to the portions of the General Common Expenses that are fairly and properly attributable to such Commercial Unit Owner as provided more fully in Section 9.1.3 of the Declaration, which shall also govern the manner in which the General Common Expenses allocated to all Unit Owners shall be apportioned and assessed among them. The General Common Charges are the amounts assessed by the Condominium Board to the Unit Owners to pay the General Common Expenses allocated to, and apportioned among, the Unit Owners in accordance with Article 9 of the Declaration.

The projected Residential Common Expenses under each adopted annual Budget shall be specially allocated to, and shall be payable by, only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests based on their exclusive or substantially exclusive Usage thereof, in accordance with the Special Allocation and Apportionment Rule and Section 339-m. The Residential Common Charges are the amounts assessed by the Board to the Residential and Storage Unit Owners to pay the Residential Common Expenses specially allocated and apportioned to them in accordance with said Article 9 of the Declaration.

8.1.4 Distribution of Budget. At least ten (10) calendar days before the start of each Budget Year, the Condominium Board shall distribute to all Unit Owners a copy of the Budget of Condominium Operation for the ensuing Budget Year adopted by the Condominium Board, which shall set forth those Budget items that are part of the Residential Common Expenses or General Common Expenses, and the allocation and apportionment of each item of General Common Expense to all or certain Unit Owners (as appropriate), in accordance and compliance with the Plan (including in particular, but not limited to, Section F in Part I thereof and the First Year's Budget (SCHEDULE B) contained therein), Article 9 of the Declaration, the Budget Guidelines (EXHIBIT F to the Declaration) and these By-Laws. However, the Commercial Unit Owners shall receive a copy of any newly adopted Budget that increases the General Common Charges at least 30 calendar days before the date such increase in General Common Charges becomes due and payable. Nevertheless, the failure to timely receive a Budget shall not excuse a Unit Owner from the obligation to timely pay the full amount of such increase in Common Charges (see Section 9.4(g) of the Declaration).

Section 8.2 **Budget Revisions**

The Condominium Board may revise a Budget one (1) or more times during a Budget Year in accordance with the same requirements and procedure to adopt such Budget as set forth in Article 9 of the Declaration; provided, however, that after the adoption and implementation of a Budget, a Budget may not be revised retroactively to increase the amount of Common Charges previously billed and a Budget may not be revised after the Budget Year has expired. Nevertheless, a Budget may be adopted or revised to include a deficiency for a prior period that is payable prospectively in one (1) lump sum or installments, as determined by the Condominium Board.

Section 8.3 **Failure to Adopt**

The failure of the Condominium Board to adopt a new Budget for any Budget Year will not be regarded as a waiver of Common Charges or in any way excuse a Unit Owner from paying the Common Charges. Rather, Common Charges will continue to be paid on the basis of the last adopted Budget until a new Budget is adopted.

Section 8.4 **Special Assessments**

8.4.1 Authority. The Condominium Board may levy a Special Assessment to pay the General Common Expenses or Residential Common Expenses, as applicable. A Special Assessment is subject to the same principles, rules, requirements and procedures applicable to Common Charges, including those set forth in Article 9 of the Declaration.

8.4.2 Method of Payment. The Condominium Board may require a Special Assessment to be paid in one (1) lump sum or in periodic installments with or without interest. If the applicable Unit Owners are allowed to pay a Special Assessment in installments, the Board may require that each such Unit Owner evidence the Owner's obligation for the Special Assessment by signing and delivering a promissory note in favor of the Condominium Board. The note will be prepared by an attorney selected by the Condominium Board and will be in form and substance (including interest rate, if any) satisfactory to the Condominium Board. The Condominium Board may pledge, sell or make any other Disposition of all Unit Owners' notes as it sees fit. Each applicable Unit Owner will be given written notice of the amount and purpose of a Special Assessment and (if applicable) the terms of a promissory note, at least fifteen (15) calendar days before a payment is due or the promissory note is to be signed and delivered. If a Unit Owner refuses or fails to timely sign and deliver said promissory note, such Unit Owner shall be obligated to pay the full amount of the Special Assessment on the date set by the Condominium Board.

8.4.3 Remedies for Non-Payment. Special Assessments are part of the Common Charges. As a result, the Condominium Board shall have all of the same rights and remedies for collection of Special Assessments and promissory notes of Unit Owners as are applicable for the collection of Common Charges.

8.4.4 Real Estate Taxes. Until such time as each Unit is separately assessed and billed for real estate taxes, the real estate taxes assessed against the Property shall be included in the General Common Expenses and levied on all Unit Owners as a Special Assessment or (at the option and discretion of the Condominium Board) additional Common Charges for forwarding same to the appropriate taxing authority on behalf of the Unit Owners (in accordance with Article 9 of these By-Laws).

Section 8.5 **Application of Net Receipts**

The net receipts (after deducting expenses) derived from Operation of the Common Elements or the Association's Properties, or payments from Unit Owners, shall be applied to pay the following Common Expenses: (a) the net receipts from Operation of the General Common Elements or the Association's General Properties, or from payments of the General Common Charges, shall be applied to pay the General Common Expenses; or (b) the net receipts from Operation of the Residential Limited Common Elements or the Association's Residential Properties, or from payments of the Residential Common Charges, shall be applied to pay the Residential Common Expenses.

Section 8.6 **Budget Surplus and Budget Reconciliation**

8.6.1 Budget Surplus. In the event in any completed Budget Year, the General Common Charges or Residential Common Charges shall exceed the actual General Common Expenses or actual Residential Common Expenses, respectively, the Condominium Board shall determine how to apply the surplus in accordance with Section 9.8 of the Declaration, which allows the Condominium Board the choice of applying all or a portion of the surplus to defray the General Common Expenses or Residential Common Expenses (as applicable) of the next immediately succeeding Budget Year and/or distributing the surplus to all then existing Unit Owners who paid the surplus, and apportioning such distribution among them Pro Rata to the General Common Charges or Residential Common Charges (as applicable) assessed to such Unit Owners for said completed Budget Year, or any combination of the foregoing. In the event the Condominium Board fails to make such determination within four (4) months after the end of such Budget Year, the surplus shall be distributed to all then existing Unit Owners who paid the surplus and were Unit Owners of record during such completed Budget Year, and apportioned and distributed to them Pro Rata to the General Common Charges or Residential Common Charges (as applicable) paid by such Unit Owners for such completed Budget Year.

8.6.2 Budget Reconciliation. The Condominium Board shall cause to be prepared and shall submit to the Commercial Unit Owners within three (3) months after the end of each Budget Year an audited statement of revenues and expenses, including a comparative schedule of revenues and expenses which compares on a line item basis the actual audited revenues and expenses to the budgeted revenues and expenses for such completed Budget Year, as provided in Section 9.8.2 of the Declaration. Within thirty (30) calendar days after such audited statement is submitted to the Commercial Unit Owners, the Condominium Board shall also submit to the Commercial Unit Owners a written reconciliation of the overall net disparity (if any) between the General Common Expenses allocated, apportioned and assessed to the Commercial Unit Owners for such completed Budget Year and said audited (actual) General Common Expenses incurred for such completed Budget Year that are fairly and properly allocated and apportioned to the Commercial Unit Owners in accordance with the Special Allocation and Apportionment Rule and Section 339-m of the Condominium Act. If such reconciliation results in a net underpayment or overpayment by a Commercial Unit Owner of said audited General Common Expenses fairly allocated and apportioned to such Commercial Unit Owner, the deficit (in the case of a net underpayment) shall be included in the Common Charges of such Commercial Unit or the surplus (in the case of a net overpayment) shall be credited to (and reduce) the Common Charges of such Commercial Unit or (at the exclusive option of such Commercial Unit Owner) refunded immediately to said Commercial Unit Owner, all as provided more fully in said Section 9.8.2 of the Declaration.

Section 8.7 **Separate Fees and Charges**

The Condominium Board shall not impose upon any Unit Owner or a Permitted Tenant/Occupant/Invitee of a Unit Owner any separate fee, charge or imposition (i.e., apart from regular Common Charges, including Special Assessments levied on all Unit Owners or only all Residential and Storage Unit Owners, as applicable) for the mere use in common of the lobby, public halls, Base Floors and similar portions of the Common Elements. The foregoing provisions shall not prohibit or prevent:

(a) the Condominium Board from assessing and collecting the regular Common Charges, including the following, which constitute part of the Common Charges: (a-1) Special Assessments imposed in accordance with the provisions of these By-Laws; (a-2) real estate taxes (until the Units are separately assessed and billed); and (a-3) water charges and sewer rents for the Building, unless separately metered or billed to individual Units;

(b) the Condominium Board from assessing or charging and collecting from Owners of Sold Residential and Storage Units (but not assessing or charging Owners of Unsold Residential and Storage Units or the Commercial Units): (b-1) reasonable fees upon the sale, conveyance, transfer or lease of a Sold Residential or Storage Unit which is not exempt from the Match Offer Right (i.e., Right of First Refusal) as provided in Section 16.11 below, or in connection with the mortgage financing or refinancing of a Sold Unit if any Board action is requested in connection therewith (such fees include the reasonable fees payable to a Managing Agent and an attorney retained by the Condominium Board in connection with such transaction); (b-2) license fees or rental for the exclusive right to use a portion of the Common Elements by a Sold Residential or Storage Unit Owner (but no such fees or rental, apart from regular Common Charges, shall be charged to an Authorized First Sold Residential Unit Owner in connection with a Unit Change pursuant to Article 13 of the Declaration); and (b-3) all fees and charges from a Unit Owner whenever so provided elsewhere in these By-Laws (e.g., in connection with Unit Alterations/Repairs as provided in subsection 5.2.4(k) above or violations of the Condominium Documents as provided in subsection 2.4.2(q) above) or the Declaration (e.g., in connection with any Government Documents signed by the Condominium Board as provided in Section 10.20 of the Declaration or cooperating with a Unit Owner as provided in Section 20.3 of the Declaration); or

(c) the Condominium Board from leasing or licensing portions of the Common Elements, or from imposing and collecting charges for the use of the vending equipment and the like.

All such fees and charges shall constitute part of the Common Charges allocated and assessed to the applicable Unit Owner.

Section 8.8 **Payment of Common Charges**

All Unit Owners or only all Residential and Storage Unit Owners (as applicable) shall be obligated to pay the Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Article 9 of the Declaration and this Article 8 at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, the Common Charges shall be payable in equal monthly installments in advance on the first day of every month.

Section 8.9 **Lien**

The Condominium Board on behalf and as agent of Unit Owners, shall have a lien on each Unit and its appurtenant Common Interest for unpaid Common Charges and Special Assessments assessed against such Unit, together with the interest earned thereon at the rate set forth in subsection 8.13.2 below. Such lien, however, shall be subordinate to any liens for unpaid real estate taxes assessed against such Unit (to the extent required by Law) and to any lien of a prior recorded Permitted First Mortgage pursuant to subsection 16.14.1 below.

Section 8.10 **Liability**

8.10.1 Personal Liability. Each Unit Owner shall be personally liable for the payment of the Common Charges (including Special Assessments) assessed against the Owner's Unit that are due and payable to and including (but not after) the date of conveyance or transfer of title to the Unit together with its appurtenant Common Interest in compliance with the terms of Article 16 hereof. Accordingly, a Unit Owner shall not be liable for any Common Charges, including any installments of a

Special Assessment, due and payable subsequent to such permitted conveyance or transfer of the Owner's Unit and its appurtenant Common Interest.

8.10.2 No Exemption for Waiver. No Unit Owner shall be exempted from liability for the payment of Common Charges (including Special Assessments) by waiving the Use and Enjoyment of any or all of the Common Elements or by abandoning such Owner's Unit (except with respect to a conveyance of a Unit to the Condominium Board, without compensation, pursuant to the terms of Section 8.11 below).

8.10.3 No Abatement for Service Failure. Except as expressly provided to the contrary in Section 7.8 above, no Unit Owner shall be entitled to a reduction or abatement in, or to delay payment of, the Common Charges or Special Assessments for any inconvenience or discomfort arising from: (a) the failure, interruption or diminution of any utility, Building or other services; (b) the construction, equipping, outfitting, Repair or Alteration of the Common Elements or any Unit (including such Owner's Unit) pursuant to the terms of the Declaration or these By-Laws; (c) any action taken or omitted by the Condominium Board or the officers of the Condominium Association to comply with the Law; or (d) any action taken by Sponsor or a Commercial Unit Owner pursuant to the Declaration, these By-Laws or the Plan.

8.10.4 Promissory Note. Each Unit Owner shall be personally liable under such Owner's promissory note given to the Condominium Board in payment of a Special Assessment pursuant to subsections 2.4.2(f) and 8.4.2 above, but shall not be liable with respect to any installment payment thereof due after title to the Unit together with its appurtenant Common Interest is conveyed or otherwise transferred in compliance with the terms of Article 16 hereof, provided that at title closing the succeeding Owner of the Unit shall execute and deliver to the Condominium Board, and the Condominium Board or its Managing Agent or attorney shall receive, a written agreement of such succeeding Owner assuming unconditionally the obligation to pay the then unpaid installments under such promissory note. Such assumption agreement shall be in the form prepared by an attorney retained by the Condominium Board, at the sole Cost and Expense of the Owner of the Unit being conveyed or transferred, and is to be in the form and content satisfactory solely to the Condominium Board.

8.10.5 Liability of Succeeding Owner. Each succeeding Owner of a Unit (howsoever title to the Unit is acquired) shall be liable for the payment of all unpaid Common Charges (including all unpaid installments of a Special Assessment or of said promissory note and any other indebtedness owing under promissory notes given by a predecessor Owner of the Unit to the Condominium Board) and any other unpaid indebtedness owing to the Condominium Board with respect to such Unit prior to such new Owner's acquisition thereof; except that a Permitted First Mortgagee or its affiliate or designee who acquires title to a Unit at a foreclosure sale of such Permitted First Mortgage or by deed in lieu of such foreclosure, or a purchaser who acquires title to the Unit at such foreclosure sale or by deed in lieu of such foreclosure, shall not be liable, and such Unit shall not be subject to a lien, for past due Common Charges (including past due installments of a Special Assessment or past due payments or indebtedness under a promissory note) which were assessed, levied or arose subsequent to the recording of such Permitted First Mortgage and before acquisition of title to such Unit by said Permitted First Mortgagee, or its affiliate or designee, or by such purchaser (as applicable).

8.10.6 Continuing Liability After Mortgage or Other Lien Foreclosure. In the event of a foreclosure of a Permitted First Mortgage or a tax lien (whether by a lien foreclosure sale, or a deed in lieu of such foreclosure or otherwise), the defaulting or delinquent Unit Owner shall remain fully liable sfor the payment of all unpaid Common Charges, including Special Assessments and any other

indebtedness owing to the Condominium Board with respect to such Unit, that accrued prior to the consummation of such foreclosure or conveyance in lieu thereof.

8.10.7 Default. In case of a default by a Unit Owner, any deficit resulting from unpaid General Common Charges or Residential Common Charges (including Special Assessments) that are not collected from such defaulting or delinquent Unit Owner shall be deemed, respectively, a General Common Expense or Residential Common Expense collectible only from all those who are in the same group of Unit Owners as such defaulting Unit Owner at the time that the same is levied. For example, if the defaulting Unit Owner is a Residential or Storage Unit Owner, the deficit resulting from the non-payment of the General Common Charges and Residential Common Charges levied on such defaulting Unit Owner shall be allocated entirely to all other Residential and Storage Unit Owners and apportioned and assessed among the Pro Rata to their respective Common Interests.

Section 8.11 Conveyance to Condominium Board

Any Unit Owner may convey the Owner's Unit, together with its appurtenant Common Interest, to the Condominium Board or (at the exclusive option of the Board) to its nominee or designee, corporate or otherwise, on behalf and as agent of Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments (including all installments to become due pursuant to promissory notes, if any, given to the Condominium Board in payment of a Special Assessment) thereafter accruing; provided, however, that:

(a) all Common Charges and any Special Assessments (including all unpaid installments and any other indebtedness owing under said promissory notes) then due and payable with respect to such Unit have been paid in full and collected;

(b) (unless waived by the Condominium Board in its sole and absolute discretion) such Unit is free and clear of all liens, encumbrances, leases and occupancies, other than the statutory lien for unpaid Common Charges and Special Assessments (provided no monies are then owing under such statutory lien); and

(c) no violation of any provision of the Condominium Documents then exists with respect to such Unit.

Section 8.12 Statement of Common Charges

The Condominium Board shall with reasonable promptness provide a written statement of all unpaid Common Charges (including Special Assessments) and any other indebtedness due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner. Such statement shall be conclusive upon the Condominium Board and the Unit Owners in favor of all Persons who rely thereupon in good faith. In addition, each Unit Owner and such Unit Owner's authorized representative shall be permitted to examine the books of account of the Condominium Board at reasonable times on business days, but not more frequently than once a month as more particularly provided in subsection 14.7.3 below.

Section 8.13 Collection and Remedies on Non-Payment of Common Charges

8.13.1 Lien and Remedies. The Condominium Board shall take prompt action to collect any Common Charges (including Special Assessments, if any) due to the Condominium Board that remains unpaid for more than thirty (30) calendar days after the due date for the payment thereof. In connection therewith, the Condominium Board shall have the right and obligation: (a) to cause a lien for

all sums due and owing to the Condominium Board to be filed against the applicable Unit with reasonable diligence in the County Clerk's Office pursuant to the terms of Section 339-z of the Condominium Act; and (b) to cause such lien to be foreclosed in the manner provided in Section 339-aa of the Condominium Act. So long as the Sponsor Board Members constitute majority of the Residential Board Members, Sponsor (or other applicable Unsold Residential Unit Owner) shall cause the Condominium Board to file such lien under the Condominium Act on those Unsold Residential and Storage Units owned by Sponsor (or other applicable Unsold Residential Unit Owner) in which Sponsor (or other applicable Unsold Residential Unit Owner) is more than thirty (30) calendar days in arrears in payment of Common Charges, including Special Assessments. In addition, the Condominium Board may (in its sole and absolute discretion) purchase or acquire directly or through its nominee or designee the applicable Unit by deed in lieu of foreclosure and/or bring a suit to recover a money judgment for unpaid Common Charges without foreclosing or waiving the lien securing such charges and/or institute any and all other proceedings and actions 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 this Section 8.13.

8.13.2 Interest and Late Charge. In the event that any Sold Unit Owner (but not Sponsor, an Unsold Unit Owner or a Commercial Unit Owner, all of whom shall be exempt from the following interest, late charge and collection payments) shall fail to make payment of Common Charges (including any Special Assessments) within ten (10) calendar days from the due date, such Sold Unit Owner shall be obligated to pay the Condominium Board, promptly following written demand:

(a) per diem interest thereon at a rate equal to the lower of 16% a year or the highest rate allowed by Law to be charged to individuals; such interest to be computed from the due date thereof until full payment is received by the Board; and/or (b) a late charge in an amount determined by the Condominium Board (but not to exceed $0.05 on each overdue dollar); together with

(c) all Costs and Expenses paid or incurred by the Condominium Board, the Managing Agent or the manager (if any) in connection with said non-payment of Common Charges (including Special Assessments), any default notices given in connection therewith, and collecting such unpaid monies, said interest and/or late charge and in filing and foreclosing the aforementioned lien.

Nothing herein shall excuse the obligation, or extend the time period, to pay the Common Charges (including a Special Assessment or other indebtedness).

8.13.3 Receiver. In addition, if the Condominium Board brings an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of such Owner's Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same.

8.13.4 Part of Common Charges. All such interest, late charge and Costs and Expenses provided in subsection 18.13.2 above, and such rental provided in the preceding subsection 18.13.3, shall be added to, and shall constitute, Common Charges payable by such Unit Owner.

8.13.5 Purchase by Board. In any Lawsuit brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have the power, on behalf and as agent of the applicable Unit Owners (e.g., only all Residential and Storage Unit Owners in the case of a foreclosure of a Residential or Storage Unit), in its own name or in the name of its nominee or designee, to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, Operate, mortgage, convey and make any other Disposition of such Unit (but not to vote the votes appurtenant to the same), subject to compliance with subsections 2.4.2(g) and (o) above, if applicable.

8.13.6 Deficiency or Surplus. In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, receiver's fees and expenses, 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 Board, such Unit Owner shall remain personally liable for the deficiency. Any surplus on such foreclosure sale shall be paid to the defaulting Unit Owner after first paying all liens on such Owner's Unit in the order of priority of such liens.

8.13.7 Part of Association's Residential Properties. Each Residential or Storage Unit acquired by the Condominium Board or its nominee or designee in connection with the enforcement of its lien for unpaid Common Charges or otherwise shall constitute part of the Association's Residential Properties and shall be held by the Condominium Board or its nominee or designee on behalf and as agent of only the Residential and Storage Unit Owners. Accordingly and as an example, the purchase price and all Costs and Expenses incurred in connection with the acquisition, Operation and Disposition of a Residential or Storage Unit by the Condominium Board or its nominee or designee shall be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and Section 339-m.

8.13.8 No Partition or Occupancy. While a Unit is owned, leased, held or otherwise Operated by the Condominium Board or its nominee or designee, no Unit Owner shall have the right: (a) to bring an action for partition or (b) to use or occupy any said Unit acquired, leased, held or otherwise Operated by the Condominium Board or its nominee or designee.

Section 8.14 Sales, Use or Occupancy Tax Exemptions

The Condominium Board will adopt and follow such procedures as may be available, without additional cost to the Condominium Board (unless the applicable Unit Owner pays same), to enable any Unit Owner eligible for exemption from New York State and/or New York City sales, use and/or occupancy taxes to enjoy such exemption with respect to such Unit Owner's share of Common Expenses. Any benefits obtained by the Condominium Board as a result thereof shall be passed through to and shall belong exclusively to the Unit Owner entitled to any such exemption and if more than one (1) Unit Owner is entitled to such exemption, such benefits shall be apportioned among all Unit Owners entitled to such exemption Pro Rata to the Common Expenses allocable to the Units of such Unit Owners entitled to such exemption.

ARTICLE 9

PROPERTY TAXES AND CHARGES

Section 9.1 Real Estate Taxes

9.1.1 Included in Common Expenses. Until such time as each Unit is separately assessed and billed for real estate taxes, the real estate taxes, business improvement district assessments (if any) or charges and other assessments levied with respect to the Property (collectively, "**Real Estate Taxes**" or "**Real Estate Tax**") shall be included in the General Common Expenses and collected by the Condominium Board in addition to, and as part of, the General Common Charges, as provided herein, and forwarded to the appropriate taxing authority on behalf of the Unit Owners when due and payable before the imposition of interest or penalties for late payment.

9.1.2 Allocation and Apportionment. Such General Common Expense item of Real Estate Taxes shall be allocated and apportioned as follows: first, the Real Estate Taxes shall be allocated 85.401% to all Residential and Storage Units and 14.599% to the Commercial Units; and second, the Real Estate Taxes thus allocated to all Residential and Storage Units shall be apportioned to each such Unit Pro Rata to its initial offering price in SCHEDULE A of Part I of the Plan (i.e., in the proportion that its initial offering price bears to the total initial offering prices of all Residential and Storage Units in such SCHEDULE A). The Real Estate Taxes shall be apportioned among the Commercial Units Pro Rata to their respective Common Interests. The resulting amount so allocated and apportioned to each Residential and Storage Unit, and the amount allocated to each Commercial Unit, is the share ("**Tax Share**") of this item of General Common Expense payable by each Unit Owner as part of the Owner's General Common Charges.

9.1.3 Payment and Application. Each Unit Owner shall pay to the Condominium Board, within ten (10) calendar days of written demand therefor, an amount equal to such Owner's Tax Share of Real Estate Taxes. At the exclusive option of the Condominium Board, such amount of the respective Owners' Tax Share may be payable in one (1) lump sum or in monthly installments, each installment to be in a sum sufficient to pay the Real Estate Taxes one (1) month prior to the date same become due and payable without the imposition of interest or penalties for late payment. All amounts collected by the Board from Unit Owners as their Tax Shares shall be segregated from other monies of the Condominium and used solely to pay the Real Estate Taxes with reference to which such Tax Shares were determined. In lieu of the foregoing, Sponsor, as Owner of Unsold Units, may (at its option) timely deliver to the Board (on or prior to the morning of the date due before the imposition of interest or penalties for late payment) a check payable to the New York City Department of Finance (or other applicable taxing authority) in an amount equal to its Tax Share of Real Estate Taxes applicable to its Unsold Units, which check the Board shall remit to the taxing authority along with other payments by the Board of such Real Estate Taxes.

9.1.4 Real Estate Tax Exemption or Abatement. If a Unit Owner receives a Real Estate Tax exemption or abatement for its Unit that is reflected in the tax bill for the Property, then from and after, and for so long as, such Real Estate Tax exemption or abatement is in effect and reflected in the bill for Real Estate Taxes, such Unit Owner shall be entitled to an adjustment in the Tax Share allocated and assessed to its Unit and payable by it on account of its Unit, based on the amount of such Real Estate Tax exemption or abatement; provided, however, that such Unit Owner gives the Board reasonably satisfactory documentation of such exemption or abatement. A Unit Owner receiving a Real Estate Tax exemption or abatement for its Unit shall have the sole right and responsibility to collect from the collecting Governmental Authority any refund or rebate of Real Estate Taxes to which such Owner is entitled as a result of such exemption or abatement, and such Unit Owner shall not be entitled to any adjustment in the Common Charges. The Board (without incurring any Costs or Expenses, unless paid by such Unit Owner) shall cooperate with such Unit Owner in obtaining such refund or rebate.

9.1.5 Separate Assessment. Once the Units are separately assessed and each Owner is billed directly by the taxing authority for such Real Estate Taxes assessed against the Owner's Unit, each Unit Owner shall be required to pay such Real Estate Taxes directly to said taxing authority.

9.1.6 Application for Remission, Refund, Exemption and/or Abatement. Any Unit Owner shall have the right to apply for a tax remission, tax refund, tax exemption and/or tax abatement with respect to such Owner's Unit without the consent of the Board and/or any other Unit Owners.

9.1.7 Adjustment. The Condominium Board and each Unit Owner shall have the right, for only sixty (60) calendar days after the Units are separately assessed and billed for Real Estate

Taxes (time being of the essence), to adjust any overpayment or underpayment of Real Estate Taxes included in the Common Expenses and paid by such Owner as part of the Common Charges. Such adjustment shall be based on the difference between the Tax Share paid by said Unit Owner and the product of:

(a) the taxable assessed valuation of the Property at closing of title to such Owner's Unit (inclusive of any real estate tax exemption or abatement, if applicable pursuant to subsection 9.1.4 above);

multiplied by

(b) the ratio that the initial actual separate assessed valuation of such Unit bears to the aggregate initial actual separate assessed valuations of all Units (in each case inclusive of any real estate tax exemption or abatement, if applicable pursuant to subsection 9.1.4 above);

multiplied by

(c) the tax rates applicable to such Unit from and after said closing of title thereof.

The amount of the overpayment or underpayment is required to be paid within ten (10) calendar days after written notice is sent by the Board or a Unit Owner (including Sponsor), as applicable, detailing the calculation of the amount owed, provided such notice is sent within such sixty (60) calendar day deadline period. The notice shall be accompanied by suitable proof of the initial separate assessed valuation of the Unit and the aggregate initial separate assessed valuations of all Units (such as a real estate tax bill(s) and/or a title report). If the amount due is not paid within the ten (10) calendar day period, then the Party owed payment shall be reimbursed: (a) per diem interest on the unpaid amount at the yearly rate set forth in subsection 8.13.2 above, computed from the end of the ten (10) calendar day period until payment is received (to compensate for lost opportunity of earnings on the amount past due); and (b) the Costs and Expenses of collection. Any amounts payable to Condominium Board pursuant to this Section 9.1 shall constitute part of the General Common Charges of the applicable Unit.

Section 9.2 **Real Estate Tax Benefits**

9.2.1 Right to Apply. Each Unit Owner, without the consent of the Condominium Board and/or any other Unit Owners, shall have the right to apply for Real Estate Tax exemption and/or abatement with respect to such Owner's Unit or Units. The consent, approval and signatures of the other Unit Owners and/or the Board shall not be required in connection with any such application or other document necessary or convenient to the exercise by a Unit Owner of any of its rights or powers under this Section 9.2, including any application or document required by the Department of Buildings and/or the Real Property Assessment Bureau of The City of New York. Nonetheless, at the request of such Unit Owner, the Board on behalf of all other Unit Owners shall promptly execute and return any such applications or other documents, subject to and in compliance and accordance with Article 20 of the Declaration (and in particular, but not limited to, Section 20.3 thereof).

9.2.2 Limited Power of Attorney. With the intention to constitute a durable limited power of attorney, each and every Unit Owner, by accepting or recording a deed to a Unit or otherwise succeeding to title to a Unit (whether through operation of Law or by conveyance, transfer, merger, consolidation, liquidation, dissolution or otherwise) shall thereupon automatically have, and be deemed to have, irrevocably authorized, appointed and designated Sponsor, as Owner of Unsold Units, as agent and attorney-in-fact, "coupled with an interest" and granted for valuable consideration, and with full power of substitution of such Unit Owner, to act on behalf and as agent of such Unit Owner, and in the name, place and stead of such Unit Owner in any way such Unit Owner would do if personally present, to the full

extent that such Unit Owner is permitted to act through an agent, with respect only to the execution, delivery and filing of any such application or document referred to in this Section 9.2 applicable to one (1) or more of Sponsor's Unsold Units.

Section 9.3 **Water Charges and Sewer Rent**

Water and sewer services are provided by The City of New York and are to be obtained by the Condominium Board (on behalf of all Unit Owners) to provide water and sewer services to the Common Elements and the Residential and Commercial Units. Water charges and sewer rents (collectively, "**Water and Sewer Charges**") shall be paid pursuant to one (1) common meter ("**Building's Water Meter**"). Water and sewer services are provided to the Residential Units and the Residential Limited Common Elements for heating, air conditioning, domestic hot and cold water, lavatories and sanitary sewerage. The General Common Elements use water in connection with the Building's fire protection Systems, which employ recirculating water with negligible or inconsequential consumption. Accordingly, no costs for water or sewer services will be included in the General Common Expenses.

Initially, water service will be provided to Commercial Units 1 and 2 for domestic cold water and lavatories. Additional water service will be provided to the Commercial Units to meet the requirements of the then actual use or uses of the Commercial Units, as such uses may change from time to time. Commercial Units 1 and 2 will each be specially allocated and assessed, as part of its Common Charges, for the costs of water and sewer services provided to such Commercial Unit as measured by a separate submeter and the then applicable water and sewer rates charged by the taxing authority. Commercial Units 3 and 4 do not use water or sewer services and shall not be assessed or charged for any Water and Sewer Charges.

The costs of water and sewer services provided to the Residential Space shall be allocated, apportioned and assessed among only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests.

The Condominium Board shall read, Maintain, Repair and Alter the Building's Water Meter and the Costs and Expenses thereof shall be specially allocated to the Unit Owners required to pay the Water and Sewer Charges measured by such Building's Water Meter and apportioned among them Pro Rata to the amount of Water and Sewer Charges payable by such Unit Owners in accordance with the Special Allocation and Apportionment Rule and Section 339-m.

Any dispute under this Section 9.3 shall be resolved by arbitration pursuant to Article 19 of these By-Laws.

Section 9.4 **Board Certificate**

In connection with any proposed conveyance, lease or mortgage of all or part of a Unit, for so long as the Condominium Board is paying Real Estate Taxes for all Units and/or Water and Sewer Charges for the Residential Space and/or Commercial Units 1 and 2, the Condominium Board or an officer of the Board shall sign on behalf of the Board and deliver to a Unit Owner, within ten (10) calendar days after written request therefor is given by such Unit Owner, a certification as to: (a) the obligation and agreement of the Board to pay the Real Estate Taxes for the Property and/or Water and Sewer Charges for the Residential and Storage Units and Commercial Units 1 and 2; and (b) Commercial Units 3 and 4 having no obligation for Water and Sewer Charges pursuant to these By-Laws. Such certification shall be addressed to such Unit Owner and/or the proposed purchaser (grantee), tenant or mortgagee, and any title insurer, as directed by such Unit Owner, and shall be conclusive upon the Condominium Board and Unit Owner's in favor of all Persons who rely thereupon in good faith.

Section 9.5 **Vault Charges**

All license fees, taxes and charges for the Vaults shall be paid directly to the taxing authority by the applicable Party having exclusive use thereof (i.e., the Owner of Commercial Unit 1 with respect to Vault #1 and the Condominium Board, as a General Common Expense, with respect to Vault #2), as provided in Article 14, Section 14.10 of the Declaration.

ARTICLE 10

UTILITIES

Section 10.1 **Electric and Gas Services to Units**

Electric service to each Residential and Commercial Unit shall be paid directly to the utility provider by the Owner of each such Unit as determined by the Unit's separate meter. Electric service to the Storage Units and gas service to the Residential Units are not separately metered and are included in the meters which measure electric and gas services to the Common Elements (see Section 10.2 below).

The cost of gas consumption by Commercial Units 1 and 2 shall be paid by the Owners of such Units directly to the utility provider as measured by separate meters. No gas service is provided to Commercial Units 3 and 4.

Each such electric and gas meter, and its related Installations (collectively, "**Utility Installations**") shall be read, Maintained, Repaired and Altered by, and at the Cost and Expense of, the following:

(a) in the case of the Utility Installations serving exclusively the Residential Space: all such Work shall be performed by the Condominium Board and the Costs and Expenses thereof shall be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and Section 339-m;

(b) in the case of Utility Installations serving both General Common Elements and the Residential Space: all such Work shall be performed by the Condominium Board and the Costs and Expenses thereof shall be allocated, apportioned and assessed to the Units Pro Rata to the respective amounts assessed to the Units for electric and gas service provided to the General Common Elements, the Residential Space and the Commercial Units served by such Utility Installations; and

(c) in the case of the Utility Installations serving exclusively a Commercial Unit: all such Work shall be performed by, and at the sole Cost and Expense of, the Owner of such Commercial Unit.

Any dispute under this Section 10.1 shall be resolved by arbitration pursuant to Article 19 of these By-Laws.

Section 10.2 **Electric and Gas Services to the Common Elements and the Residential and Storage Units**

Electric service for lighting, power, heating and ventilation is provided to portions of the General Common Elements, the Residential Limited Common Elements and the Storage Units under one (1) common meter. Gas service is provided under one (1) common meter to the Residential Limited Common Elements (for hot water) and the Residential Units (for domestic hot water, cooking, clothes dryers and fireplaces). For the First Budget Year of Condominium Operation, the costs of such utility services to the General Common Elements and the Residential Space shall be based on the projections thereof set forth in the First Year's Budget (see SCHEDULE B in Section F of Part I of the Plan). Thereafter, the projected costs of said utility services shall be based on a consumption or Usage survey conducted by an independent licensed consulting, mechanical or electrical engineer or other qualified expert (collectively, "**Utility Expert**") selected by the Board, and the then current utility rates payable to the utility provider, plus an inflation factor (if any) as reasonably determined by the Board. The projected costs of electric service to the General Common Elements as determined in accordance with the foregoing shall be included in the General Common Expenses, which shall be allocated and assessed to all Residential and Storage Unit Owners and the amount thereof allocated and assessed to each Commercial Unit shall be limited and restricted strictly to the extent of its allocable share of the estimated costs of electricity consumed by those General Common Elements that actually serve or are actually utilized by such Commercial Unit. The estimated costs of such services for electricity to the General Common Elements allocated to all Unit Owners shall generally be apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount thereof fairly and properly attributable to a Commercial Unit or to the Residential and Storage Units would otherwise require, in which case such fair and proper apportionment shall be used.

The costs of electric service to the Residential Limited Common Elements and the Storage Units as determined by a consumption or Usage survey of a Utility Expert in accordance with the foregoing, together with costs of gas service to the Residential Limited Common Elements and the Residential Units shall be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and Section 339-m.

Such Utility Installations shall be read, Maintained, Repaired and Altered by the Condominium Board and the Costs and Expenses thereof shall be allocated, apportioned and assessed to the applicable Units Pro Rata to the respective costs of said utility services assessed to the Units.

Section 10.3 **Heat, Hot Water and Air Conditioning Services to Units and Common Elements**

Heating and domestic hot water (collectively, "**HHW**") is provided to only the Residential Space from the Building's central oil fired hot water boiler plant (for heating) and from gas-fired domestic hot water heaters and hot water tanks (for hot water) which Equipment ("**HHW Equipment**") are part of the Residential Limited Common Elements. No heat or domestic hot water is provided to the General Common Elements. The areas and rooms comprising the General Common Elements receive ambient heat for which no Costs or Expenses shall be assessed or charged. Heat and hot water are provided to Commercial Units 1 and 2 from their own HHW Equipment. No heat or hot water is provided to Commercial Units 3 and 4.

The costs of energy and water consumption to provide HHW services to the Residential Space shall be determined and charged to only the Residential and Storage Unit Owners as provided above in Sections 9.3 (for water consumption) and 10.2 (for electric and gas consumption). The costs of oil to provide heat to the Residential Space shall included in the Residential Common Expenses and charged to only the Residential and Storage Unit Owner Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and Section 339-m.

The Costs and Expenses to Maintain, Repair and Alter the HHW Equipment and all Building-wide HVAC/Mechanical/Utility Building Systems relating thereto, together with all rooms and areas in which same are housed (collectively, **"HHW Costs"**) shall be part of the Residential Common Expenses, which shall be allocated to only the Residential and Storage Units Pro Rata to their respective Common Interests.

The HHW Costs do not include the Costs and Expenses to Maintain, Repair and Alter those portions of the Building-wide HVAC/Mechanical/Utility Building Systems that serve exclusively one Residential Unit or a Commercial Unit (whether exposed to view or concealed behind walls or partitions) and do not serve any other Unit or a portion of the Common Elements. Such individual portions of a Building-wide System are part of such Unit and are to be Maintained, Repaired and Altered by, and at the sole Cost and Expense of, the Owner of such Unit in accordance and compliance with the Declaration and these By-Laws.

Air conditioning service is provided to each Residential Unit from a rooftop cooling tower and related Installations to individual heat pump units within, and part of, each Residential Unit. Each Residential Unit Owner, at the Owner's sole Cost and Expenses, shall Maintain, Repair Alter and otherwise Operate said individual heat pump Equipment in accordance and compliance with Owner's obligations set forth in these By-Laws and the Declaration. The cooling tower and its related Installations are part of the Residential Limited Common Elements and the Costs and Expenses to Maintain, Repair, Alter and otherwise Operate such cooling tower and Installations shall be included in the Residential Common Expenses and charged to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests.

Any dispute under this Section 10.3 shall be resolved by arbitration pursuant to Article 19 of these By-Laws.

ARTICLE 11

USES AND OCCUPANCY OF PROPERTY AND ADJACENT SIDEWALKS AND VAULTS

Section 11.1 **Declaration Governs**

The Property, including the Common Elements and the Units, the Vaults and the Immediately Adjacent Sidewalks to the Property, shall be used, Operated, rented and occupied in accordance with the provisions of the Declaration, including in particular (but not limited to) Articles 10 through 15 thereof, which are hereby incorporated herein and are paramount and shall govern any provision of these By-Laws inconsistent therewith.

Section 11.2 **Common Elements**

11.2.1 General Common Elements. Generally, the General Common Elements are for the Use and Enjoyment in common by all Unit Owners and their respective Permitted

Tenants/Occupants/Invitees for all purposes for which they are reasonably intended, suited and capable in connection with the permitted Use and Enjoyment of the Property as a whole or for both one (1) or more Residential or Storage Units and one (1) or more Commercial Units in accordance and compliance with, and subject and subordinate to the rights and easements provided in, these By-Laws and the Declaration.

11.2.2 Residential Limited Common Elements. Generally, the Residential Limited Common Elements are for the exclusive, or primarily exclusive, Use and Enjoyment in common by all Residential and Storage Unit Owners and their respective Permitted Tenants/Occupants/Invitees for all purposes for which they are reasonably intended, suited and capable in connection with the permitted Use and Enjoyment of the Residential Space in accordance and compliance with, and subject and subordinate to the rights and easements provided in, these By-Laws and the Declaration.

11.2.3 Use Determined by Board. The Condominium Board shall have the right to determine, and to establish and amend from time to time the Rules and Regulations governing, the use and changes in use of the areas, Equipment and Installations comprising the Common Elements (i.e., the General Common Elements and Residential Limited Common Elements, and (if established) the Commercial Limited Common Elements and Individual Limited Common Elements), provided all such uses shall be in accordance and compliance with, and subject and subordinate to the rights and easements provided in, these By-Laws and the Declaration.

All such determinations (including the adoption and Amendment of Rules and Regulations) shall be made by the following Board Members on behalf of the Condominium Board:

(a) in the case of the General Common Elements, all such determinations shall be made by majority of those Residential and Commercial Board Members attending a duly constituted Board meeting at which a quorum is present;

(b) in the case of the Residential Limited Common Elements and (if established) Individual Residential Limited Common Elements, all such determinations shall be made by majority of those Residential Board Members (including the Sponsor and Independent Board Members) attending a duly constituted meeting of the Residential Board Members at which a quorum is present; and

(c) in the case of the Commercial Limited Common Elements (if established) and Individual Commercial Limited Common Elements (if established), all such determinations shall be made by the Commercial Board Members.

11.2.4 Rights and Easements. The foregoing rights of Unit Owners to Use and Enjoy the Common Elements (including the General Common Elements and the Residential Limited Common Elements, and (if established) the Commercial Limited Common Elements and the Individual Limited Common Elements), and the foregoing right of the Condominium Board to determine the uses of the Common Elements, shall be subject and subordinate to: (a) the various rights and easements set forth in the Declaration, including in particular (but not limited to) Articles 10, 11, 12 and 13 thereof; and (b) Sponsor's/Commercial Owners' Rights set forth in the Plan, the Declaration and these By-Laws, which are superior, paramount and take preference over the rights of: (b-1) Unit Owners and their Permitted Tenants/Occupants/Invitees; and (b-2) the Condominium Board.

Section 11.3 **Units**

11.3.1 Use of Units. Each Unit shall be used in compliance with Article 10 of the Declaration, including in particular (but not limited to) Section 10.2 thereof, and only for the purposes permitted in Article 10 of the Declaration, including in particular (but not limited to):

(a) Section 10.13 thereof, which provides (among other things) that each Sold Residential Unit shall be used only as a private dwelling and incidental home occupations permitted by Law, and for no other purpose, and in compliance with the requirements and restrictions set forth therein;

(b) Section 10.14 thereof, which provides (among other things) that each Sold Storage Unit shall be used only for accessory storage of non-flammable personal belongings and effects of the Owner thereof and the tenants and occupants of such Owner's Sold Residential Unit in accordance with applicable Laws, and for no other purpose; and

(c) Section 10.15 thereof, which provides (among other things) that:

(c-1) Unsold Residential and Storage Units and the Commercial Units shall not be subject to the requirements and restrictions on use set forth in the Condominium Documents with respect to Sold Units;

(c-2) any one (1) or more of such Unsold Residential and Storage Units, may be used and changed to be used as models, offices for the sale, Promotion, rental, Operation and management of Unsold Units and for any lawful purpose other than Prohibited Uses;

(c-3) the Commercial Units may be used and changed to be used as one (1) or more restaurants, food stores, banks, clothing stores and other retail establishments, whether or not similar to the foregoing, and for any other lawful purpose other than Prohibited Uses;

(c-4) such permitted uses of Unsold Residential and Storage Units and the Commercial Units may be noisy, emit odors, involve heavy traffic and cause other effects that need not necessarily be compatible with the primary use of the Building for dwelling purposes; and

(c-5) the Condominium Board and other Unit Owners shall not have the right to approve the use or any changes in use, or the tenants, occupants or Operation of, or the business conducted in, Unsold Units or the Commercial Units or any portions thereof; provided such use, occupancy and business are not Prohibited Uses.

11.3.2 Occupancy of Sold Residential Units. In order to provide for the congenial occupancy of the Property, to protect the value of the Units and to comply with the applicable Laws, occupancy of a Sold Residential Unit shall be limited and restricted to the following individuals in accordance and compliance with the Occupancy Requirements set forth more generally in Article 10, Section 10.13 of the Declaration: (a) the Owner of a Sold Residential Unit and such Owner's household; or an individual who is a permitted tenant of such Owner or a permitted subtenant of such permitted tenant, and the permitted tenant's or permitted subtenant's household; and (b) temporary non-paying guests of the Owner or a permitted occupant of the Unit.

If a Sold Residential Unit is owned by a corporation, limited liability company, partnership, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, sovereign government, consulate, Governmental Authority or any other Entity, occupancy shall be restricted and

limited to the following individuals: (a) an officer, director, shareholder, member, partner, beneficiary, principal, government official or an employee designated by such Owner and such individual's household; or a permitted tenant of such Owner or a permitted subtenant of such permitted tenant and such permitted tenant's or permitted subtenant's household; and (b) temporary non-paying guests of the Owner or a permitted occupant of the Unit.

The household, domestic employees and temporary non-paying guests are permitted to occupy the Sold Residential Unit even though the Owner or the designated occupant or permitted tenant or permitted subtenant (as applicable) is absent. No transient occupant (other than a temporary non-paying guest) shall be accommodated in a Sold Residential Unit at any time. No Sold Unit Owner shall permit or suffer such Owner's Sold Unit to be used or occupied in violation hereof or the Declaration.

Notwithstanding the foregoing, the Condominium Board may, in its sole and absolute discretion, grant permission for occupancy of a Sold Residential Unit by Persons other than those set forth above. If granted, such permission must be in writing and shall be personal to such Sold Residential Unit Owner or the permitted tenant or permitted subtenant of the Sold Residential Unit (as applicable) and shall not inure to the benefit of the successors or assigns of such Owner or tenant or subtenant (as applicable).

The foregoing restrictions and limitations do not apply to Sponsor Units, Unsold Units or the Commercial Units, each of which may be occupied by anyone regardless of any relationship or lack of relationship with the Owner thereof.

11.3.3 Subordination. Any lease or occupancy agreement of a Sold Unit entered into after the recording of the Declaration shall be subject and subordinate to the provisions of these By-Laws and the Declaration.

11.3.4 Remedies. If a Sold Unit Owner permits or suffers such Owner's Sold Unit to be used or occupied in violation of these By-Laws or the Declaration, such violation shall constitute a material breach and default of such Unit Owner's obligations and shall entitle the Condominium Board to all rights and remedies available at Law and in equity against: (a) such Sold Unit Owner, including to enjoin the violation pursuant to Section 17.2 below; (b) the offending tenant or occupant of such Sold Unit, including suits and proceedings at Law and in equity, in the name of such Sold Unit Owner, as attorney in fact, and for the account of said Sold Unit Owner, to terminate the offending lease or occupancy and to eject or remove said offending tenant or occupant from such Sold Unit by summary dispossess proceedings or by any other suitable action or proceedings at Law or in equity, and to repossess said Sold Unit so leased or occupied by such offending tenant or occupant (as applicable). The said Sold Unit Owner shall reimburse the Condominium Board for all Costs and Expenses paid or incurred in connection with such violation and to enforce, uphold, protect and defend the foregoing rights and remedies, as well as the Costs and Expenses of collection thereof. All such Costs and Expenses shall be paid by said Sold Unit Owner, and received by the Condominium Board, within seven (7) business days after written demand therefor is given to said Sold Unit Owner, which shall be accompanied by a reasonably detailed statement of the Costs and Expenses to be reimbursed and copies of any supporting or relevant bills. All sums payable by such Sold Unit Owner to the Condominium Board pursuant to the foregoing shall for all purposes constitute Common Charges payable by said Sold Unit Owner.

11.3.5 Limited Power of Attorney. With the intention to constitute a limited, durable power of attorney, each Sold Unit Owner, by accepting or recording a deed to a Sold Unit or otherwise succeeding to title to such Unit (whether through operation of Law or by merger, consolidation, liquidation, distribution or otherwise) shall thereupon automatically have, and be deemed to have, irrevocably authorized and designated the individuals who shall from time to time constitute the

Condominium Board, in their capacity as Board Members, as agent and attorney in fact of said Sold Unit Owner, "coupled with an interest" and for valuable consideration, and with full power of substitution, to act on behalf and as agent of said Sold Unit Owner and in the name, place and stead of said Sold Unit Owner in any way in which such Owner could do if personally present, to the full extent such Owner is permitted by Law to act through an agent, having the right, power and authority with respect only to the following: (a) to institute and prosecute through completion a Lawsuit and all appeals therefrom to terminate an offending lease or occupancy agreement and to eject, evict, dispossess or otherwise remove an offending tenant or occupant of such Owner's Sold Unit, whether by summary dispossess proceedings or otherwise, and to repossess the Sold Unit so leased or occupied by such offending tenant or occupant (as applicable) in accordance with subsection 11.3.4 above. This durable, limited power of attorney shall not be affected by the subsequent disability or incompetence of a Sold Unit Owner.

Section 11.4 **Building Walls and Immediately Adjacent Sidewalks**

11.4.1 General Prohibition. The Building Walls and the Immediately Adjacent Sidewalks to the Property shall be used in accordance and compliance with the Declaration, including the general prohibitions set forth in Section 10.2 thereof.

11.4.2 Sponsor's Promotional Rights. Sponsor and each Unsold Unit Owner (if any) and the permitted tenants so expressly authorized in writing by Sponsor or an Unsold Unit Owner (as applicable) shall have the right, Freely and Without Consent, Payment or Restriction (but subject to compliance with Section 10.2 of the Declaration), to use the Building Walls and the Immediately Adjacent Sidewalks to the Property for all purposes related to the Use and Enjoyment (including Promotion) of its Unsold Units in accordance with Article 10 (including in particular, but not limited to, Sections 10.9, 10.10, 10.11 and 10.18) and Article 12 (including in particular, but not limited to, Section 12.7) of the Declaration. The right of Sponsor, an Unsold Unit Owner and said authorized tenant of an Unsold Unit to use the Building Walls and said Immediately Adjacent Sidewalks are superior, paramount and take preference over: (a) the rights of the Condominium Board to determine the uses thereof; and (b) the rights of Sold Unit Owners as to any use thereof approved or consented to by the Board.

11.4.3 Commercial Unit Owners' Promotional Rights. The respective Owners of Commercial Units 1 and 2 and the tenants and occupants of each such Commercial Unit who are so expressly authorized in writing by the Owner of such Commercial Unit, shall have the right, Freely and Without Consent, Payment or Restriction (other than compliance with Section 10.2 of the Declaration), to use the outdoor and indoor sides of such Owner's Commercial Unit (including its Storefront and those portions of the Building Walls that enclose Commercial Unit, all of which are part of such Commercial Unit) and the Immediately Adjacent Sidewalks to said Commercial Unit for all lawful purposes in connection with the Use and Enjoyment (including Promotion) of said Commercial Unit in accordance with Article 10 of the Declaration (including in particular, but not limited to, Sections 10.10, 10.11 and 10.18 thereof).

11.4.4 Other Uses Determined by Board. All other uses of the Building Walls and the Immediately Adjacent Sidewalks to the Residential Space and the General Common Elements by the Owners, tenants and occupants of Sold Residential and Storage Units shall be determined by the Condominium Board and shall not be used by a Sold Residential or Storage Unit Owner, or any permitted tenant or occupant of a Sold Residential or Storage Unit, without first obtaining the written Discretionary Approvals or Consents of the Condominium Board and Sponsor (during only the Sponsor Veto Control Period). The foregoing shall not apply to Sponsor, Unsold Unit Owners, or the Commercial Unit Owners, or their respective authorized tenants as aforesaid.

Section 11.5 **Vaults**

The Vaults shall be used for any one (1) or more lawful purposes (including the installation and housing of existing Equipment and Installations as well as new, additional, substitute and other Equipment and Installations for the Use and Enjoyment of the following: (a) in the case of Vault #2: the Use and Enjoyment of all Unit Owners in common as shall be determined from time to time by, and in the sole discretion of, the Condominium Board; or (b) in the case of the Vault #1: the Use and Enjoyment of only the Owner and authorized tenants of Commercial Unit 1 as shall be determined from time to time by, and in the sole discretion of, the Owner of such Commercial Unit.

Section 11.6 **General Prohibitions**

The Property shall be used in accordance and compliance with the requirements of Article 10 of the Declaration and the following:

(a) no nuisance shall be allowed on any part of the Property, or the Vaults, or the Immediately Adjacent Sidewalks to the Property, nor shall any use or practice be allowed or suffered in a Unit or the Common Elements that is an unreasonable interference with the peaceful possession or proper use of any Unit by its Owner or such Owner's Permitted Tenants/Occupants/Invitees;

(b) all valid Laws relating to any portion of the Property shall be complied with at the sole Cost and Expense of the applicable Unit Owner or the Condominium Board, whoever shall have the obligation to Maintain and Repair such part of the Property;

(c) nothing shall be done or kept, or suffered to be done or kept, in any Unit or in any of the Common Elements that increases or would, with reasonable likelihood, increase the rate of insurance for the Property, unless the Unit Owner responsible for such increase pays the additional premium therefor as provided in Section 6.11 above;

(d) no Unit Owner shall permit or suffer anything to be done or kept in the Owner's Unit or in the Common Elements that results in, or would with reasonable likelihood result in, the issuance of a notice of cancellation or the cancellation of insurance on the Property or the contents thereof, or that would, with reasonable likelihood, be in violation of any Law;

(e) no waste shall be committed or suffered in the Common Elements;

(f) nothing shall be done in any Unit or in, on or to the Common Elements that would, with reasonable likelihood, impair or threaten the structural integrity of the Building or the life, health or safety of the Owners or Permitted Tenants/Occupants/Invitees of Units; and

(g) in no event shall load bearing walls contributing to the support of any Unit or the Common Elements be Altered or removed, except as expressly permitted in, and performed in accordance and compliance with, Articles 14 and 15 of the Declaration.

ARTICLE 12

ROOFS

Section 12.1 **Roofs**

The Roofs and their respective related Roof Structures enclosing the Residential Space are part of the Residential Limited Common Elements and include the following: (a) the main Roof at floor 20 (but not the Terraces thereon); (b) the Roofs of the bulkheads for the public stairs and elevator machine room; (c) the Roof enclosing a Residential Unit (but not any skylight therein, which is part of such Residential Unit); and (d) Roofs at set-backs adjacent to Residential Units (but not the Terraces or Planting Terrace thereon). The pavers, tiles or other protective flooring or covering on a Roof or set-back Roof is not part of such Roof and constitutes the Terrace or Planting Terrace appurtenant to a specified Residential Unit. The Roof and the related Roof Structures over the floor 21 mechanical room are part of the General Common Elements. The portion of the Roof and related Roof Structures over the rear portions of Commercial Units #1 and #2 are part of Commercial Units 1 and 2, respectively. A Roof consists the structural concrete slab or other construction material), the asphalt (or other roofing material), insulation, membrane, flashing and supports (if any) for a Terrace or Planting Terrace.

The Condominium Board shall make all determinations concerning the use of the Roofs and related Roof Structures included in the Residential Limited Common Elements and General Common Elements; provided, however, that such determinations shall be subject and subordinate to the following: (a) the exclusive use of the Terrace or Planting Terrace appurtenant to specified Residential Units by the respective Owners and permitted tenants, occupants and guest of such Residential Units; and (b) the easements and rights set forth in the Declaration and By-Laws, including Sponsor/Commercial Owners' Rights under Articles 7, 10, 11, 12 and 13 of the Declaration, which are superior, paramount and take preference over the easement and rights of the Condominium Board and other Unit Owners. The respective Owners of Commercial Units 1 and 2 shall make all determinations concerning the Roofs and related Roof Structures enclosing, and part of, their respective Units, which are for the exclusive Use and Enjoyment of such Commercial Unit Owners and their authorized tenants.

Section 12.2 **Maintenance, Repair and Alteration**

All Roofs and appurtenant Roof Structures (but not the Terraces or Planting Terraces thereon, which are part of specified Residential Units) shall be Maintained, Repaired and Altered in accordance and compliance with the Building's Maintenance Standard by the following:

(a) in the case of the Roofs included in the Common Elements: all such Work shall be performed by the Condominium Board and the Costs and Expenses thereof shall be included in the following Common Expenses: (a-1) as to the Roofs and their appurtenant Roof Structures included in the Residential Limited Common Elements: such Costs and Expenses shall be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and Section 339-m; or (a-2) as to the Roof and its appurtenant Roof Structures included in the General Common Elements: such Costs and Expenses shall be included in the General Common Expenses, which shall be allocated, apportioned and assessed to all Unit Owners Pro Rata to their respective Common Interests; or

(b) in the case of the portion of the Roof enclosing Commercial Unit 1 or 2 and its appurtenant Roof Structures: all such Work shall be performed by the Owner of such Commercial Unit, at such Owner's sole Cost and Expense.

ARTICLE 13

FIRE SAFETY SYSTEMS

Section 13.1 **Maintenance, Repairs and Alterations**

The Building's "**Fire Safety Systems**" comprise the following three Systems (if and to the extent existing at the date of issuance of a permanent Certificate of Occupancy of the Building or installed pursuant to Sponsor's construction Plans and Specifications): (a) the sprinkler System (which includes the sprinkler reserve tank, pumps, pressure tank (if any), sprinkler and drain risers, sectional valves, tamper switches, waterflow alarms, sprinkler alarm, drain/test connections, distribution pipes, sprinkler heads and all other related Installations); (b) the standpipe System (which includes the standpipe reserve tank, pumps, pipes, hoses, nozzles and all other related Installations); and (c) the siamese connection.

The portions of the Building's Fire Safety Systems serving exclusively the Residential Limited Common Elements or more than one (1) Residential or Storage Unit are part of the Residential Limited Common Elements and shall be Maintained, Repaired, Altered and otherwise Operated by the Condominium Board as part of the Residential Common Expenses and charged to only all Residential Storage Unit Owners Pro Rata to their respective Common Interests. The portions of the Building Fire Safety Systems serving exclusively one (1) Unit (e.g., sprinklers heads and branch or distribution piping) are part of such Unit and shall be Maintained, Repaired and Altered by, and at the sole Cost and Expense of the Owner of such Unit. All other portions of the Building Fire Safety Systems are part of the General Common Elements and shall be Maintained, Repaired, Altered and otherwise Operated by the Condominium Board as part of the General Common Expenses, which shall be allocated to all Residential and Storage Unit Owners and the amount allocated to each Commercial Unit Owner shall be limited and restricted strictly to pay the portion thereof that fairly and properly reflects its allocable share of the Costs and Expenses of such Work on only those portions of the Fire Safety Systems that protect such Owner's Commercial Unit or those General Common Elements that actually serve or are actually utilized by such Commercial Unit Owner. The amount allocated to all Unit Owners in accordance with the foregoing shall generally be apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount thereof fairly and properly attributable to a Commercial Unit or the Residential and Storage Units would otherwise require, in which case such fair and proper apportionment shall be used. All Work on the Building's Fire Safety Systems by whomsoever shall be performed in accordance with the Building's Maintenance Standard and Articles 14 and 15 of the Declaration.

Section 13.2 **Changes**

The Condominium Board shall have the right to Alter, change and relocate elsewhere within the Common Elements those portions the Fire Safety Systems that protect the Residential Space or the General Common Elements or all or a portion of both the Residential Space and the Commercial Units, provided and on condition that all applicable Laws and the requirements (including Work Requirements) and other provisions set forth in Article 15 of the Declaration are met.

ARTICLE 14

GENERAL OPERATING MATTERS

Section 14.1 **Compliance with Laws**

14.1.1 Responsible Party. The Party obligated to Maintain and Repair a portion of the Property or its adjacent Vaults and Immediately Adjacent Sidewalks, or the Equipment or Installations therein or thereon (i.e., the Condominium Board with respect to the General Common Elements and Residential Limited Common Elements, including the Equipment and Installations comprising the Common Elements; and a Unit Owner with respect to such Owner's Unit, including the Equipment or Installations comprising such Unit, each being herein called the "**Responsible Party**") shall also have the duty to comply with all Laws applicable thereto, including the existence, Maintenance, Repair, Alteration and Operation thereof.

14.1.2 Costs and Expenses. The Costs and Expenses of such compliance shall be included in the Costs and Expenses to Maintain, Repair, Alter and Operate such affected portion of the Property or its adjacent Vaults or Immediately Adjacent Sidewalks (including such Equipment and Installations), as applicable, and shall be allocated to, and apportioned and assessed among, the appropriate Unit Owners required to pay such Costs and Expenses for Maintenance, Repairs, Alterations and Operation as provided in the Declaration or these By-Laws.

14.1.3 Compliance With Declaration. All Work in connection with such compliance with Laws shall be performed in accordance with the provisions (including Work Requirements) set forth in Article 15 of the Declaration.

14.1.4 Reasonable Diligence. The Responsible Party shall effect compliance with applicable Laws with reasonable diligence and, if non-compliance has or would with reasonable likelihood, have a material adverse affect on any other Party, the Responsible Party shall promptly commence and diligently prosecute compliance therewith to completion.

14.1.5 Contest by Board. The Condominium Board shall have the right, on behalf of all Unit Owners (if involving the General Common Elements) or only all Residential and Storage Unit Owners (if involving only the Residential Space), to contest any requirement of applicable Law with which the Board is obligated to comply and which relates to the Maintenance, Repair, Alteration or Operation of the Common Elements or the affairs of the Condominium Association. During such contest, the Condominium Board shall have the right to defer compliance with such requirements of applicable Law, provided:

(a) the Board prosecutes such contest diligently and in good faith by appropriate proceedings unless compliance with such requirement shall have been excused or exempted by a valid nonconforming use permit, waiver, extension or forbearance exempting the Condominium Board from such requirement; and

(b) such contest or noncompliance does not involve any threat or danger of: (b-1) foreclosure, forfeiture or loss of any part of the Property; or (b-2) civil or criminal liability being imposed on the Condominium Board or any officer or member of the Board, any Unit Owner or any mortgagee or tenant of a Unit; or (b-3) the creation of any lien, encumbrance or other charge against any part of the Property; or (b-4) impairment of any insurance under Article 6 above.

14.1.6 Contest by Sponsor or Commercial Unit Owners. Sponsor (as Owner of any Unsold Residential or Storage Unit) and the Commercial Unit Owners shall each have the right to contest any requirement of applicable Law with which Sponsor or a Commercial Unit Owner, respectively, is obligated to comply under the Plan, Declaration or these By-Laws or which relates to the Maintenance, Repair, Alteration or Operation of a Sponsor Unit or such Owner's Commercial Unit, respectively. During such contest, the failure of Sponsor or a Commercial Unit Owner (as applicable) to comply with such requirement shall not constitute a default or violation hereunder or the Declaration, provided:

(a) Sponsor or said Commercial Unit Owner (as applicable) is contesting such requirement with reasonable diligence and in good faith by appropriate proceedings and shall have furnished such security, if any, as may be required in the proceedings, unless compliance with such requirement shall have been excused or exempted by a valid nonconforming use permit, waiver, extension or forbearance exempting Sponsor or said Commercial Unit Owner (as applicable) from such requirement; and

(b) such contest or noncompliance does not involve any threat or danger of: (b-1) foreclosure, forfeiture or loss of any part of the Property, other than said Sponsor Unit or said Owner's Commercial Unit (as applicable); or (b-2) civil or criminal liability being imposed on the Condominium Board, any other Unit Owner or any mortgagee or tenant of any other Unit; or (b-3) the creation of any lien, encumbrance or other charge against any part of the Property, other than against said Sponsor Unit or said Owner's Commercial Unit (as applicable); or (b-4) the impairment of any insurance under Article 6 above.

Sponsor or the applicable Commercial Unit Owner (as the case may be) shall provide the Condominium Board with notice of any contest of the type described above in detail sufficient to enable the Board to ascertain whether the foregoing provisions have been complied with by Sponsor or said Commercial Unit Owner (as applicable).

Section 14.2 **Indemnification**

14.2.1 Indemnity by a Unit Owner. Each Unit Owner shall indemnify all other Unit Owners and the Condominium Board, and the members, officers, employees, agents (including Managing Agent) and attorneys of the Board or the Condominium Association, from and against any and all Claims and Liabilities and Expenses that may be imposed upon or incurred by any of the foregoing by reason of: (a) any Work performed or required to be performed by such Unit Owner in, on or about the Property; (b) any negligence on the part of such Unit Owner or the Permitted Tenants/Occupants/Invitees of such Unit Owner, or the respective Agents, Employees and Contractors of each of the foregoing; or (c) any failure on the part of such Unit Owner to perform or comply with any of the terms or conditions contained in the Declaration or these By-Laws on its part to be performed or complied with.

14.2.2 Indemnity by Condominium Board. The Condominium Board shall indemnify each and every Unit Owner from and against any and all Claims and Liabilities and Expenses that may be imposed upon or incurred by such Unit Owner by reason of: (a) any Work performed by the Condominium Board in, on or about the Property; or (b) any negligence or wrongful acts or omissions on the part of the Board or its members, officers, or Agents, Employees and Contractors. All amounts payable under or with respect to the foregoing indemnity by the Condominium Board shall be included in the Costs and Expenses to Maintain and Repair the affected portions of the Property, and shall be allocated to, and apportioned and assessed among, the appropriate Unit Owners required to pay such Costs and Expenses for Maintenance and Repairs as provided in the Declaration or these By-Laws.

Section 14.3 **Building Employees, Agents and Contractors**

14.3.1 Authority of Board. Subject and subordinate to Sponsor's veto control during only the Sponsor Veto Control Period as provided in Section 2.5.8 above, the Condominium Board shall have the authority: (a) to hire or engage such employees, agents and contractors as may be necessary or appropriate in the judgment of the Board to perform its obligations set forth in the Declaration or these By-Laws; and (b) to make all decisions concerning the employment, compensation and dismissal of employees, agents and contractors, to service the Common Elements and the Owners, tenants and occupants of Units. The foregoing authority of the Board shall be exercised by the Residential and Commercial Board Members with respect to the General Common Elements and by only the Residential Board Members with respect to the Residential Space.

14.3.2 Building Staff. At or prior to the First Closing of a Residential Unit under the Plan, the Condominium Board shall hire, or engage a service contractor to provide, the number and type of employees (collectively, "**Building Employees**" and individually, "**Building Employee**") set forth in the First Year's Budget (SCHEDULE B in Section F of Part I of the Plan), and thereafter shall always maintain such Building Employees (either as the direct employer and/or under service contracts) in order to provide to all Owners, tenants and occupants of Units all services and Facilities required by Law, the Plan, the Declaration or these By-Laws. The Building Employees shall Maintain, keep free and clear of snow, ice, water accumulation and debris, and (to the extent competent and capable) Repair and Alter the Residential Limited Common Elements, the General Common Elements, the General Vault #2 and the Immediately Adjacent Sidewalks to the Property, including those abutting the Residential Space and Commercial Units 1 and 2.

14.3.3 Common Expense. The wages and related benefits and payroll costs of, and/or the fee to the service contractor with respect to, the Building Employees (collectively, "**Labor Costs**") shall be part of the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests, except that the portion of the Labor Costs of the Building's visiting superintendent (or other Building Employee) to Maintain, Repair, Alter and otherwise Operate the General Common Elements (including the Equipment, rooms and areas comprising the General Common Elements) and the Immediately Adjacent Sidewalks to the Property (including those abutting the Residential Space and Commercial Units 1 and 2) shall be part of the General Common Expenses. The portion of the Labor Costs included in the General Common Expenses shall be in the proportion that the number of hours or fraction thereof worked on or with respect to the General Common Elements and (if applicable) the Immediately Adjacent Sidewalks bears to the total number of hours worked by the superintendent (or other Building Employee) during the payroll period (hereafter called the "**Hourly Proration**"). The amount so included in the General Common Expenses in accordance with the foregoing which shall be allocated to all Residential and Storage Unit Owners and the amount allocated to each Commercial Unit Owner shall be limited and restricted strictly to the Hourly Proration of the Labor Costs allocable to those General Common Elements that actually serve or are actually utilized by such Commercial Unit Owner and to any other services performed by the superintendent (or other Building Employee) that benefit such Owner's Commercial Unit (e.g., performing Sidewalk Obligations, if applicable) in accordance with Section F of the Plan and the First Year's Budget (SCHEDULE B) contained therein, these By-Laws, Article 9 of the Declaration and the Budget Guidelines (EXHIBIT F to the Declaration). The amount so allocated to all Unit Owners in accordance with the foregoing shall generally be apportioned and assessed among them Pro Rata to their respective Common Interests unless the amount fairly and properly attributable to a Commercial Unit Owner or to the Residential and Storage Unit Owners would otherwise require, in which case such fair and proper apportionment shall be used, in

accordance with said Section F of the Plan, said First Year's Budget (SCHEDULE B) contained therein, these By-Laws, Article 9 of the Declaration and said Budget Guidelines.

For the First Budget Year, starting with the First Closing of a Residential Unit under the Plan, the fees and disbursements of the Managing Agent shall be allocated 90% to the Residential Common Expenses and 10% to the General Common Expenses in accordance with the First Year's Budget (see SCHEDULE B in Section F of Part I of the Plan). Thereafter, such percentages of the Managing Agent's fees and disbursements allocated to the Residential Common Expenses and General Common Expenses may vary in accordance with the amount of services provided by the Managing Agent to the Residential Space (including the amount of services provided specially or exclusively to the Owners, tenants and occupants of the Residential and Storage Units), the Commercial Units and the General Common Elements (including the amount of general services provided to all Unit Owners). The amount so allocated to the Residential Common Expenses shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and said Section 339-m of the Condominium Act. The Commercial Unit Owners shall not be allocated or assessed that portion of the fees and disbursements of the Managing Agent allocated to the Residential Common Expenses. The amount so allocated to the General Common Expenses shall be allocated to all Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests.

The fees and amounts payable to other agents and to contractors, if any, engaged by the Condominium Board (or the Residential Board Members on behalf of the Board as authorized herein or in the Declaration) in connection with the General Common Elements or the Residential Space shall be included in the Costs and Expenses to Maintain and Repair same, and shall be allocated to, and apportioned and assessed among, the applicable Unit Owners required to pay said Costs and Expenses for Maintenance and Repairs as provided in the Declaration or these By-Laws.

Section 14.4 **Refuse Disposal System**

14.4.1 Residential Units. All refuse containers, the refuse chute and the compactor shall be used by the Owners and permitted tenants and occupants of Residential Units for disposal of customary household garbage, trash and refuse (collectively, **"refuse"**); subject, however, to compliance with: (a) applicable Laws in effect from time to time, including Laws (**"Environmental Laws"**) requiring separation, and separate disposal or recycling, of paper, bottles, cans, plastics or other items; and (b) the Rules and Regulations, and Amendments thereto, in effect or adopted or amended from time to time by the Residential Board Members on behalf of the Condominium Board. The Condominium Board shall arrange for the disposal of refuse generated by the Residential Space. All Cost and Expenses to Maintain, Repair, Alter and otherwise Operate the Building's refuse disposal System (including the compactor and refuse chute) shall be included in the Residential Common Expenses and charged to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interest in accordance with the Special Allocation and Apportionment Rule and Section 339-m of the Condominium Act.

14.4.2 Commercial Units. The Commercial Unit Owners, at each such Owner's sole Cost and Expense, shall be responsible to arrange and pay for private cartage and disposal of all garbage, trash and refuse generated by such Owner or the tenants or occupants of such Owner's Commercial Unit in accordance and compliance with applicable Laws in effect from time to time, including Environmental Laws.

Section 14.5 **Rules and Regulations**

Certain requirements as to the Operation of the Property are set forth in the "**Rules and Regulations**" annexed to, and forming a part of, these By-Laws. The Condominium Board shall have the right and power to promulgate additional Rules and Regulations applicable to the Operation of the General Common Elements and the Residential Board Members shall have the right and power to promulgate additional Rules and Regulations applicable to the Operation of the Residential Space. The Condominium Board and Residential Board Members shall also have the right and power from time to time to amend all such Rules and Regulations and, unless otherwise required by the Condominium Act, need not record an Amendment to the Declaration to so promulgate additional Rules and Regulations or to so amend such Rules and Regulations. However, any additional the Rules and Regulations and any Amendments to the then current Rules and Regulations:

(a) may be overruled by vote of a majority in number and Common Interest of those affected Unit Owners (e.g., the Residential and Storage Unit Owners in the case of Rules and Regulations or Amendments thereto applicable to the Residential Space) attending a meeting (duly called and held for such purpose) at which a quorum is present; and

(b) shall not be effective or binding on Sponsor, Unsold Unit Owners or the Commercial Unit Owners if and to the extent they adversely affect any of Sponsor's/Commercial Owners' Rights set forth in the Plan, the Declaration or these By-Laws, unless and until the Discretionary Approval or Consent of such adverse Rules and Regulations and Amendments are first obtained in writing from Sponsor, each Unsold Unit Owner and/or Commercial Unit Owner (whoever is adversely affected thereby), in each instance.

In addition, any Amendments to the Rules and Regulations shall not become effective or operational for at least thirty (30) calendar days after a copy of the complete text thereof shall be given to each and every affected Unit Owner then of record at such Unit Owner's address for notices or (if none is specified) at the Building and delivered or sent in the same manner as provided in Article 20 below for the giving of notices. A violation or failure to comply with the Rules and Regulations, as duly amended from time to time, shall constitute a violation of these By-Laws.

Section 14.6 **Interruption or Reduction in Services**

14.6.1 Right to Interrupt or Reduce. The Condominium Board, the Commercial Unit Owners and (while there is any Unsold Unit) Unsold Unit Owners (including Sponsor) shall have the right to interrupt or reduce all or certain utility services and other services to the Common Elements or Units, for the purposes of: (a) dealing with accidents, strikes, the performance of Work and the like; or (b) (in the case of Sponsor, a Commercial Unit Owner and an Unsold Unit Owner) the performance of Work in accordance with the rights and easements reserved to Sponsor and granted to the Commercial Unit Owners and Unsold Unit Owners in the Plan, the Declaration or these By-Laws, including in particular (but not limited to) Plan Obligations (which include the rehabilitation, renovation and outfitting of the Building and the Units in accordance with Sponsor's construction Plans and Specifications) and Tenant Obligations (see Section 12.7 of Declaration).

14.6.2 No Liability or Abatement. The Condominium Board (including its members and officers), Sponsor, Commercial Unit Owners and Unsold Unit Owners, and their respective Related Parties, employees, agents and attorneys, shall not be liable for any Claims or Liabilities and Expenses to any Owner or permitted tenant or occupant of a Unit for any such interruption or reduction of services, or for any failure to furnish or interruption of services (including heat, hot and cold water, electricity, steam, air conditioning and sewer service) caused by a public utility or Governmental

Authority supplying same, or Work performed pursuant to Sponsor's Plans and Specifications, or Sponsor's Plan Obligations or Tenant Obligations, or Work performed by an Unsold Unit Owner or Commercial Unit Owner in accordance with the Declaration or these By-Laws, or otherwise. In addition, any such permitted interruption or reduction of services, or such failure or interruption of service, shall not entitle any Unit Owner to any abatement or diminution of Common Charges. However, the Party causing such interruption or reduction of services (i.e., the Condominium Board, Sponsor, Commercial Unit Owner or Unsold Unit Owner, as the case may be) shall use reasonable efforts to give all affected Unit Owners reasonable prior notice of any such contemplated interruption, reduction or failure, except in the event of an emergency, and to the extent economically reasonable and practical shall endeavor to minimize any such interruption, reduction or failure.

Section 14.7 **Records and Audits**

14.7.1 Records Kept by Treasurer. The Treasurer of the Condominium, or the Managing Agent (if any) 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 Association and the Condominium Board, which records and books of account shall include: (a) a chronological listing of all receipts of, and expenditures by, the Condominium Board and the Managing Agent (if any), together with cancelled checks, check register, statements, bills and invoices; and (b) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges, real estate taxes, if applicable, Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid and a copy of any Permitted Mortgage encumbering such Unit, if applicable.

14.7.2 Records Kept by Secretary. The Secretary of the Condominium, or the Managing Agent (if any) under the supervision of the Secretary, shall keep detailed records of the actions of the Condominium Board and the Residential Board Members, committees of the Board and the Residential Board Members, and relevant actions of Unit Owners with respect to matters governed by the Declaration or these By-Laws. Such records include: (a) minutes of meetings of the Condominium Board and the Residential Board Members and any resolutions adopted thereat; (b) minutes of meetings of committees of the Board and the Residential Board Members; and (c) minutes of meetings of Unit Owners and Residential Unit Owners and the outcome of any matters voted upon thereat.

14.7.3 Examination. Each Unit Owner and Permitted Mortgagees of the Owner's Unit, and their respective representatives, shall be permitted to examine (without charge) and to copy (at a reasonable charge):

(a) the minutes of meetings of the Condominium Board (including, in the case of only a Residential Unit Owner, minutes of separate meetings of the Residential Board Members) and any committees of the Board (or Residential Board Members);

(b) the minutes of meetings of Unit Owners (or, in the case of only a Residential Unit Owner, minutes of any separate meetings of the Residential and Storage Unit Owners);

(c) the books of account of the Condominium Board (or, in the case of only a Residential Unit Owner, books of account of the Residential Board Members), but not any personal financial files of Unit Owners maintained by the Condominium Board; and

(d) all other information, documents and records as may be in the possession or under the control of the Condominium Board (or, in the case of a Residential Unit Owner only, all other information, documents and records as may be in the possession or under the control of the Residential Board

Members), or its agent or professionals in connection with the ownership, Operation and affairs of the Condominium Association and the Property or the Residential Space, as applicable, other than any said personal financial files of a Unit Owner.

All such examinations shall be conducted at the office of Managing Agent or other location reasonably convenient to the Property specified by the Board and in a manner that shall not unreasonably interfere with the Operation or business of the Condominium Association, the Condominium Board or the Managing Agent (if any). The examinations shall be permitted during business hours, on business days and upon reasonable advance written notice, but not more frequently than once a month (such examination shall not extend over more than three (3) business days in any calendar month) as to each Unit Owner, the Owner's Permitted Mortgagees, and their respective representatives. The Board shall retain all such books and records available for examination for at least three (3) years.

14.7.4 Tax Returns and Financial Statements. The Condominium Board shall cause to be prepared and filed on a timely basis and before the imposition of interest, charges or penalties for late filing or late payment, all requisite federal, state and city income tax or franchise tax or unincorporated business tax and any other tax returns relating to the Condominium Association or the Common Charges or the Operation of the Common Elements. Any income taxes shall be allocated each Budget Year to the projected Residential Common Expenses and projected General Common Expenses approximately Pro Rata to the respective amounts of receipts realized from the affairs and Operation of: (a) the Residential Space and the Association Residential Properties (e.g., interest income on investment of the Working Capital Fund and Residential Common Charges); or (b) the General Common Elements, or the Association's General Properties or the whole Condominium Association generally (e.g., General Common Charges) for such Budget Year. The amount thereof so allocated to: (a) the projected Residential Common Expenses shall be allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests; and (b) the projected General Common Expenses shall be allocated to all Unit Owners and apportioned and assessed among them Pro Rata to their respective General Common Charges for such Budget Year (i.e., Pro Rata to their respective Common Interests if and to the extent all of such General Common Charges are assessed Pro Rata to the Common Interests). The Costs and Expenses to prepare and file such tax returns and to attend or defend any audit or Litigation in connection therewith, shall similarly be allocated, apportioned and assessed Pro Rata to the income taxes to which same relate.

In addition, within four (4) months after the end of each fiscal year of the Condominium Association, the Condominium Board shall submit to each Unit Owner and, if so requested by a Unit Owner or a Permitted Mortgagee of a Unit, to any tenant or Permitted Mortgagee of a Unit, an annual report of assets and liabilities and the Operation of the Condominium Association, Common Elements, the Association's Properties and the Property generally, including the receipts and expenditures of the Condominium Board with appropriate line items and notes distinguishing the General Common Expenses and Residential Common Expenses for such fiscal year. Each such annual report shall be prepared and certified by an independent certified public accountant in accordance with generally accepted accounting principles consistently applied.

The Costs and Expenses to prepare and distribute such annual report shall be allocated each Budget Year as follows. The portion of the audit fee and said associated Costs and Expenses representing the costs of the audit services fairly attributable to the Operation of the Residential Space and the Association's Residential Properties, including the costs to audit the Residential Common Expenses, shall be allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests. The balance of such audit fee and said associated Costs and Expenses, representing the costs of the audit services fairly attributable to the Operation of the General Common Elements and the Association's General Properties, including the costs to audit the

General Common Expenses and the General Common Charges billed to, and collected from, Unit Owners, shall be allocated to all Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests. Alternatively, the audit fee shall be allocated 90% of the Residential Common Expenses (and charged to only all Residential and Storage Unit Owners Pro Rata to their respective Common Interests) and 10% to the General Common Expenses (and charged to all Unit Owner Pro Rata to their respective Common Interests) as provided in SCHEDULE B in Section F of Part I of the Plan (which shall be the allocation followed for the First Budget Years starting with the First Closing of a Residential Unit under the Plan).

Section 14.8 **Tenants and Occupants of Units Entitled To Receive Building Services**

14.8.1 Provision of Service. The Condominium Board shall provide to each tenant and occupant of all or a portion of a Unit, and such tenant and occupant shall receive, without discrimination, all of the same services and amenities as are required to be provided to the Owner of such Unit pursuant to the Declaration, these By-Laws or applicable Law. Apart from regular Common Charges (including Special Assessments) levied on all Unit Owners or all Residential and Storage Unit Owners (as applicable), no separate fee, charge, imposition or Costs and Expenses for such services and amenities shall be assessed by the Condominium Board against said tenant or occupant, or the Owner of said Unit, except to the extent same are assessed to all other Unit Owners or all other Residential and Storage Unit Owners (as applicable) pursuant to the Condominium Documents. The aforesaid services and amenities include all Building Systems and amenities comprising the Common Elements and the services to be provided by the Building's visiting superintendent and other Building staff.

14.8.2 Removal of Violations. The Condominium Board, with reasonable diligence and in good faith, shall remove any violation noted or issued with respect to the Common Elements. Any condition in the Common Elements constituting a violation (even though not noted or issued) that the Condominium Board is required to correct pursuant to Law or the Declaration or these By-Laws shall be corrected by the Board if failure to do so is grounds for a tenant of a Unit to reduce or withhold the rent or would constitute a violation of the tenant's lease or applicable Law. All Costs and Expenses paid or incurred by the Condominium Board in connection with the foregoing shall be charged to only the Unit Owners who are obligated to pay for the Maintenance and Repair of the affected portion of the Common Elements. The foregoing shall not prevent or impair the right of a Unit Owner to require the Board to correct and remove violations in accordance with its obligations under the Declaration or these By-Laws, irrespective of whether the Owner's Unit is leased or rented.

14.8.3 Tenant Violation. The Condominium Board will have no recourse of any kind against a Unit Owner for a violation of the Condominium Documents by a tenant or occupant of such Owner's Unit if (and during the period) such Unit Owner endeavors in good faith and with reasonable diligence to abate, enjoin or remedy the violation by appropriate action against such tenant or occupant. However, the foregoing shall not excuse the Unit Owner from the obligation to pay for Repairs caused by the said tenant's or occupant's negligence, misuse or neglect as provided in Section 5.4 above and Section 14.7 of the Declaration.

ARTICLE 15

EXISTING LEASES

Section 15.1 **Subordination**

If and to the extent, and for so long as, the Declaration is subject and subordinate to the rights of an Existing Tenant of the Building (if any) under an Existing Lease (if any), the rights granted or reserved

to any Unit Owner or the Condominium Board and all requirements and limitations under these By-Laws, including the Rules and Regulations, shall be so subject and subordinate.

Section 15.2 **Provision of Services**

With respect only to an Existing Lease of a Unit as to which the Declaration is subordinate, if the terms of such Existing Lease require services be provided to the Existing Tenant thereunder which under the terms of the Declaration and By-Laws may only be provided by the Condominium Board or are under the exclusive control of the Condominium Board, then the Condominium Board shall provide such services to said Existing Tenant in accordance with such Existing Lease until it expires (including all renewals or extensions thereof pursuant to an option to renew or extend, but excluding any other extensions or renewals thereof and all Amendments thereto made after the recording of the Declaration in the Register's Office) or sooner terminates. The Owner of such Unit shall not be required to pay any Special Assessment, imposition or other charge, apart from regular Common Charges (including Special Assessments) levied on all Unit Owners or all Residential and Storage Unit Owners (as applicable), for any additional Costs and Expenses incurred by the Board in connection with providing such services to said Existing Tenant of such Owner's Unit.

ARTICLE 16

UNIT CONVEYANCES, SALES, LEASES AND MORTGAGES

Section 16.1 **General**

16.1.1 Compliance with By-Laws. Subject and subordinate to the terms of Section 16.5 hereof, a Sold Residential or Storage Unit Owner shall not sell, transfer, convey or lease such Owner's Sold Residential or Storage Unit, except in compliance with the applicable provisions of this Article 16. Any purported sale, transfer, conveyance or lease consummated in violation of the applicable terms hereof shall be voidable at the sole election and discretion of the Condominium Board.

16.1.2 Ejectment or Eviction. With the intention to constitute a limited, durable power of attorney, each Sold Residential Unit Owner and each Sold Storage Unit Owner (each such Unit Owner hereafter sometimes called a **"Sold Unit Owner"**), by accepting or recording a deed to such Owner's Sold Unit or otherwise succeeding to title to a Sold Unit (whether through operation of Law or by merger, consolidation, liquidation, distribution or otherwise) shall thereupon automatically have, and be deemed to have, irrevocably authorized and designated the individuals who shall from time to time constitute the Condominium Board, in their capacity as Board Members, as agent and attorney in fact of such Sold Unit Owner, "coupled with an interest" and for valuable consideration, and with full power of substitution, to act on behalf and as agent of such Sold Unit Owner and in the name, place and stead of such Sold Unit Owner in any way in which such Owner could do if personally present, to the full extent such Owner is permitted by Law to act through an agent, having the right, power and authority with respect only to the following, upon determination of the Residential Board Members on behalf of the Condominium Board: (a) in the case of a sale, transfer or conveyance in violation of this Article 16: to institute and prosecute through completion a Lawsuit and all appeals therefrom to eject a purported successor Owner from the Sold Unit owned by such Sold Unit Owner; or (b) in the case of a lease or occupancy agreement in violation of this Article 16: to evict or remove by summary dispossess proceedings or otherwise a tenant of such Sold Unit. This durable, limited power of attorney shall not be affected by the subsequent disability or incompetence of such Sold Unit Owner. The Condominium Board shall have the right and option (but not the obligation) to institute such Lawsuit, which is in addition to all other rights and remedies available to the Board at Law or in equity.

16.1.3 Reimbursement. If the Condominium Board elects to bring this or any other Claim or Lawsuit with respect to such violation of this Article 16, the applicable Sold Unit Owner shall pay and reimburse the Condominium Board, promptly following written demand, for all Costs and Expenses incurred by or on behalf of the Board in connection with such Claim or Lawsuit and for the Costs and Expenses of collection thereof. All such Costs and Expenses shall be regarded as part of the Common Charges payable by such Sold Unit Owner.

16.1.4 Deed Provision. Each and every deed to a Unit, including transactions subject to, or exempted from, the Match Offer Right or Right of First Refusal referred to in subsection 16.2.8 below, shall expressly provide that the acceptance thereof by the grantee shall constitute an acceptance, ratification and 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 therein.

16.1.5 Lease Provisions Applicable to All Units

Each lease or occupancy agreement (collectively, "**Lease**" or "**Lease Agreement**") of a Unit to any tenant in a transaction subject to the Match Offer Right (or Right of First Refusal) pursuant to Section 16.2 below or exempted therefrom pursuant to Section 16.5 below shall expressly state or provide (and shall be deemed to state and provide) that:

(a) the Lease is subject and subordinate to the Condominium Documents and that in the event of any inconsistency between the Lease and the Condominium Documents, the inconsistency shall be resolved in accordance with the Condominium Documents, which are paramount and shall govern; and

(b) the Condominium Board shall have the right, power and authority to terminate or cancel such Lease and to bring summary proceedings to evict or remove the tenant in the name of the landlord-Owner thereunder in the event of: (b-1) a violation by the tenant of any of the provisions of the Declaration or these By-Laws (including the Rules and Regulations), as each may be amended from time to time; (b-2) a foreclosure of landlord-Owner's Unit by the Condominium Board pursuant to the lien granted by Section 339-z of the Condominium Act; or (b-3) the purchase or acquisition of the Unit by the Condominium Board or its nominee or designee, whether pursuant to Article 16 of the Declaration or otherwise.

16.1.6 Lease Provisions Applicable to Sold Units Only. Each Lease of a Sold Unit only (but not a Lease of an Unsold Residential or Storage Unit or a Commercial Unit), in a transaction which is subject to said Match Offer Right (or Right of First Refusal) or exempted therefrom (other than an exemption based on the Unit being an Unsold Unit or a Commercial Unit), shall be in the then current prevailing form of lease of a residential condominium unit for non-regulated multiple dwellings in The City of New York (or other printed form of lease approved by the Condominium Board, in its sole and absolute discretion), subject to such modifications as may be approved in writing by the Condominium Board (in its sole and absolute discretion), and shall expressly state or provide (and shall be deemed to expressly state or provide), in addition to the mandatory provision set forth in Section 16.2.3 below, that:

(a) the Lease is for a term of not less than one (1) year (unless the Condominium Board consents in writing to a shorter term);

(b) the Lease shall not be amended or extended without obtaining the prior written Discretionary Approval or Consent of the Condominium Board in each instance;

(c) the tenant thereunder shall not assign tenant's interest in such Lease or sublet the Unit demised thereunder or any part thereof without obtaining the prior written Discretionary Approval or Consent of the Condominium Board in each instance; and

(d) (in the case of a Sold Residential Unit) the Unit shall be used and occupied only for residential and permitted incidental home occupation purposes by the Unit's Owner and such Owner's household in accordance and compliance with the Occupancy Requirements set forth in Article 10, Section 10.13 of the Declaration and subsection 11.3.2 above, and for no other purpose, or (in the case of a Sold Storage Unit) the Unit shall be used only for accessory storage of the personal belongings and effects of its Owner and the permitted tenants or permitted subtenants and occupants of such Owner's Sold Residential Unit, and for no other purpose, and (in the case of either a Sold Residential or Storage Unit) in compliance with the other requirements and restrictions set forth in the Declaration (including Section 10.13 or 10.14 thereof, as applicable) and these By-Laws (including subsections 5.1.10, 5.1.11, 11.3.1 and 11.3.2 hereof).

16.1.7 Sale or Lease Requirement. Each sale or conveyance of a Unit shall be for the entire Unit and its appurtenant Common Interest. Each lease or sublease of a Sold Unit (but not a lease or sublease of an Unsold Unit or a Commercial Unit) shall be for the entire Unit and not just a portion thereof. All or portions of each and every Unsold Unit or Commercial Unit may be leased and subleased at the sole option and discretion of the Owner thereof. Nothing herein shall prohibit an Owner from subdividing the Owner's Unit in accordance and compliance with the Declaration and these By-Laws.

16.1.8 Restriction on Ownership of Storage Units. The ownership of a Storage Unit is restricted to Sponsor or an Owner of a Residential Unit. As a result, a Purchaser of a Residential Unit and a Storage Unit may only resell or convey the Storage Unit to another Residential Unit Owner or simultaneously with the sale or conveyance of the Owner's Residential Unit to the grantee named in the deed for the Residential Unit.

Section 16.2 **Match Offer Right (or Right of First Refusal)**

16.2.1 Exempt Transactions. The provisions of this Section 16.2 are subject and subordinate to Sections 16.5 hereof and do not apply to any of the transactions exempted under said Section 16.5 from the Match Offer Right or Right of First Refusal in favor of the Condominium Board set forth in this Section 16.2 (each, an "**Exempt Transaction**").

16.2.2 Definition. A contract to sell a Sold Unit (i.e., a Sold Residential Unit or a Sold Storage Unit) together with its appurtenant Common Interest is hereinafter collectively referred to as a "**Sale Agreement**" and any Sale Agreement or Lease Agreement of a Sold Unit is each hereafter included in the collective term "**Sale or Lease Agreement**".

16.2.3 Mandatory Provision in Sale or Lease Agreement. Each Sale or Lease Agreement of a Sold Unit in a transaction that is subject to the Board's Match Offer Right (or Right of First Refusal) shall contain the following language:

> "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE MATCH OFFER RIGHT OR RIGHT OF FIRST REFUSAL IN FAVOR OF THE BOARD OF MANAGERS OF 130 WEST 30TH STREET CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN, PURSUANT TO THE

TERMS OF SECTIONS 16.2 AND 16.3 OF THE BY-LAWS OF THE SAID CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED."

16.2.4 Procedure. Promptly after any such Sale or Lease Agreement shall be fully executed, the Sold Unit Owner executing the same (hereafter referred to as the "**Offeree Unit Owner**") shall send written notice thereof ("**Sale or Lease Notice**") to the Condominium Board by certified or registered mail, return receipt requested, which Sale or Lease Notice shall be accompanied by a fully executed, original counterpart of the Sale or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant (hereinafter referred to as the "**Outside Offeror**"). The Sold Unit owned by the Offeree Unit Owner is hereafter sometimes called "**Offeree's Unit**."

16.2.5 Offer to Sell or Lease. The sending of the Sale or Lease Notice shall constitute an irrevocable offer by the Offeree Unit Owner to sell the Offeree's Unit, together with its appurtenant Common Interest, or to lease the Offeree's Unit, as the case may be, to the Condominium Board or to its nominee or designee, corporate or otherwise, on behalf and as agent of only all Residential and Storage Unit Owners upon the same terms and conditions as are contained in such Sale or Lease Agreement, subject, however, to the modifications and variances therefrom provided in Section 16.3 hereof.

16.2.6 Representations and Warranty. The giving of such Sale or Lease Notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf and as agent of only all Residential and Storage Unit Owners, that such Offeree Unit Owner believes the Sale or Lease Agreement to be bona fide in all respects.

16.2.7 Submission of Documents. The Sale or Lease Notice shall be accompanied by such documents as the Board may determine from time to time to be part of the Board's "Standard Document Package" (defined below) in connection with the consideration of a Sale or Lease Agreement, together with such fee and charges as the Condominium Board may require from time to time in accordance with subsection 16.11.1 below. The "**Standard Document Package**" are all documents required by the Board relating to the housing, credit, financial and employment history of the Outside Offeror and may include a Building standard form of sale or lease application, income tax returns, credit reports, net worth statement, personal references, employer verification statement and current landlord good standing letter. The Offeree Unit Owner shall also submit to the Condominium Board or its Managing Agent (as directed), promptly following written request therefor, such additional documents and/or information as the Condominium Board may reasonably request with respect to the Outside Offeror or the transaction.

16.2.8 Match Offer Right or Right of First Refusal. Except for an Exempt Transaction, the Condominium Board shall have the right to purchase an Offeree's Unit together with its appurtenant Common Interest (or to cause the same to be purchased by its nominee or designee, corporate or otherwise), or to lease an Offeree's Unit (or to cause the same to be leased by its nominee or designee, corporate or otherwise), as the case may be, on behalf and as agent of only all Residential and Storage Unit Owners, upon the same terms and conditions as are contained in the Sale or Lease Agreement for Offeree's Unit and stated in the response(s) by the Offeree Unit Owner to any requests for additional documents and/or information pursuant to the terms of the preceding subsection 16.2.7, subject (however) to such modifications and variances thereto as are required in the following Section 16.3 (herein called a "**Match Offer Right**" or "**Right of First Refusal**"). If the Board wishes to exercise the Match Offer Right (or Right of First Refusal), the Board shall do so in a written notice ("**Acceptance Notice**") given to the Offeree Unit Owner within twenty (20) business days after the Board or its Managing Agent receives

the Sale or Lease Notice together with the Sale or Lease Agreement, the Standard Document Package and such further documents and/or information as may have been requested pursuant to the preceding subsection 16.2.7 (**"Option Period"**).

16.2.9 Required Unit Owners' Approval. Notwithstanding anything to the contrary contained herein, the Condominium Board shall not exercise its Match Offer Right (or Right of First Refusal) to purchase or lease an Offeree's Unit set forth in this Section 16.2 without the prior approval thereof by vote of a majority in Common Interest of those Sold and Unsold Residential and Storage Unit Owners attending a duly constituted meeting of Residential and Storage Unit Owners called for such purpose and at which a quorum is present.

16.2.10 Compliance with Civil Rights Laws. In determining whether to elect to purchase or lease Offeree's Unit, the Condominium Board shall not discriminate against an Outside Offeror on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by Law. This prohibition also applies to the sale, lease, sublease or other Disposition of Offeree's Unit by the Condominium Board or its nominee or designee as the Owner or tenant (as applicable) thereof.

Section 16.3 **Acceptance of Offer**

16.3.1 Sale or Lease Agreement with Board. In the event that the Condominium Board shall elect, within the Option Period and in the manner provided in Section 16.2.8 hereof, to purchase an Offeree's Unit together with its appurtenant Common Interest (or to cause the same to be purchased by its nominee or designee), or to lease Offeree's Unit (or to cause the same to be leased by its nominee or designee), as applicable, the Offeree Unit Owner shall send to the Condominium Board for execution the Sale or Lease Agreement, as modified: (a) to reflect the Board or its nominee or designee as the purchaser or tenant (as applicable); and (b) to conform to the requirements set forth in subsection 16.3.2 or 16.3.3 below (as applicable). Within ten (10) calendar days after receipt thereof, the Condominium Board or its nominee or designee shall execute and return to the Offeree Unit Owner the Sale or Lease Agreement (as applicable), as so modified, together with a check for the requisite contract deposit (in the case of a Sale Agreement).

16.3.2 Modified Terms of Sale Agreement. In the event such Offeree's Unit is to be sold to the Condominium Board or its nominee or designee, the Sale Agreement shall be modified to provide and conform to the following to the extent any provision of the original Sale Agreement is contrary, inconsistent or silent with respect thereto (except as otherwise provided in clauses (d) and (e) below):

(a) the contract deposit shall equal the lower of 10% of the purchase price of the Offeree's Unit or the contract deposit stated in the original Sale Agreement;

(b) such contract deposit shall be held in escrow and disposed of in accordance with the terms of the Sale Agreement (as modified by this Section 16.3) by the attorney for the Offeree Unit Owner, or if the Offeree Unit Owner does not have an attorney, by an attorney selected by the Condominium Board;

(c) the time and location of title closing shall be set by the Condominium Board and the date of title closing shall be determined by mutual agreement of the Condominium Board and Offeree Unit Owner or (if they are unable to agree) in no event later than sixty (60) business days after the Condominium Board gives the Offeree Unit Owner its Acceptance Notice electing to purchase Offeree's Unit;

(d) the Offeree Unit Owner shall convey Offeree's Unit and its appurtenant Common Interest to the Condominium Board or its nominee or designee by bargain and sale deed with covenant against grantor's acts and in the form required by Section 339-o of the Condominium Act, and (unless otherwise expressly provided in the original Sale Agreement) with all documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other City and State transfer taxes arising out of the sale which are at the time imposed by Law on a seller (but not the portion of such transfer taxes (such as the current New York State real property transfer tax, known as the "mansion tax"), which are imposed by Law on a purchaser);

(e) (unless otherwise expressly provided in the original Sales Agreement) the Offeree Unit Owner and Condominium Board or its nominee or designee shall apportion as of 11:59 p.m. of the day preceding the closing of title based on the actual number of days in the month of closing: (e-1) real estate taxes (if Offeree's Unit is not separately assessed at closing, the apportionment shall be based on the amount of real estate taxes for the Property which is attributable to Offeree's Unit as determined in accordance with Section 9.1 above); (e-2) Common Charges, including the then current installment of any Condominium Special Assessment for the month or period in which title closes (such Special Assessment shall be apportioned based on the actual number of days in such month or other period); (e-3) mortgage interest (if applicable); (e-4) gas and electricity (if separately metered); and (e-5) rent paid or payable under any existing lease or tenancy; and

(f) in the event of a default by the Board or its nominee or designee (as applicable) under the Sale Agreement, the Offeree Unit Owner shall have no recourse of any kind against the Board or (if applicable) its nominee or designee, or the respective members, officers, agents, attorneys or employees of the Board or (if applicable) its nominee or designee, or Unit Owners, and the sole right and remedy of the Offeree Unit Owner shall be limited to canceling the Sale Agreement in a written notice to the Board or its nominee or designee (as applicable) and receiving the contract deposit and any interest earned thereon as and for liquidated damages and in full settlement, satisfaction, release and discharge of all Claims and Costs and Expenses of the Offeree Unit Owner, such cancellation to become effective upon the giving of the cancellation notice and the expiration of any applicable grace period stated in the Sale Agreement or allowed by Law, unless the default is cured within such grace period (if any).

16.3.3 Modified Terms of Lease Agreement. In the event Offeree's Unit is to be leased to the Condominium Board or its nominee or designee, the Lease Agreement shall be modified to provide and conform to the following to the extent any term in the original Lease Agreement is contrary, inconsistent or silent with respect thereto:

(a) the Lease Agreement will be on the then current prevailing printed form of lease of a condominium unit for non-regulated multiple dwellings in The City of New York (with such rider provisions, not materially inconsistent with such form lease) as those included in the proposed Lease Agreement with the Outside Offeror, unless waived by the Condominium Board, in its sole and absolute discretion;

(b) the provisions of such prevailing form lease will govern any conflict with the provisions of the proposed printed form original Lease Agreement with the Outside Offeree, unless waived by the Condominium Board, in its sole and absolute discretion;

(c) notwithstanding any prohibition or restriction against subletting in such prevailing form lease or in the proposed Lease Agreement with the Outside Offeror, the Condominium Board (or its nominee or designee, as applicable) shall have the right and discretion to sublease the Unit one

(1) or more times Freely and Without Consent, Payment or Restriction and without the Offeree Unit Owner participating in, or sharing, the rent under such sublease;

(d) the terms of the Lease Agreement (and the obligation to pay rent) shall begin on a date mutually agreeable to the Condominium Board and Offeree Unit Owner, or (if they are unable to agree) on the later of: (d-1) the date of commencement of the term stated on the original Lease; or (d-2) the date that falls sixty (60) business days after the Condominium Board gives the Offeree Unit Owner its Acceptance Notice electing to lease Offeree's Unit; and

(e) in the event of a default by the Board (or its nominee or designee, as applicable) in the payment, performance or observance of any provision of the Lease, the Offeree Unit Owner shall have no recourse against the Board or its nominee or designee (as applicable), or the respective members, officers, agents, attorneys or employees of the Board or (if applicable) its nominee or designee, or the Unit Owners, and the sole right and remedy of the Offeree Unit Owner shall be limited to canceling the Lease Agreement in a written notice to the Board or its nominee or designee (as applicable), which cancellation shall become effective upon the giving of such cancellation notice and the expiration of any applicable grace period stated in the Lease Agreement or allowed by Law, unless the default is cured within such grace period (if any).

16.3.4 Residential Common Expenses. All payments made by the Condominium Board or its nominee or designee to purchase, own, lease, Maintain, Repair, Alter and otherwise Operate and make any other Disposition of Offeree's Unit purchased or leased by the Condominium Board or its nominee or designee in accordance with this Article 16 will be included in the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance and compliance with the Special Allocation and Apportionment Rule and Section 339-m.

16.3.5 Revenues. Similarly, any revenues derived from owning, selling, leasing, subleasing, mortgaging, Operating or making any other Disposition of Offeree's Unit owned or leased by the Condominium Board or its nominee or designee shall be applied to defray the Residential Common Expenses.

16.3.6 Source of Funds to Purchase. In connection with a purchase of Offeree's Unit, the Residential Board Members on behalf of the Condominium Board may levy a Special Assessment against only all Residential and Storage Unit Owners (other than the Offeree Unit Owner) in accordance with the terms of Section 8.4 hereof and/or the Residential Board Members on behalf of the Condominium Board may, in their discretion, finance the acquisition of Offeree's Unit; provided and on condition that:

(a) any such financing shall not be secured by an encumbrance on, or a hypothecation of, any portion of the Property other than the Offeree's Unit together with its appurtenant Common Interest;

(b) if the proposed borrowing (regardless of amount) is to occur during only the Sponsor Veto Control Period, the affirmative Discretionary Approval or Consent of Sponsor must first be obtained as provided in subsections 2.4.2(o) and 2.5.8 above; and

(c) the loan documents shall expressly provide that the Residential and Storage Unit Owners shall have non-recourse, limited and joint liability for the loan in accordance with Section 4.12 above, and the Commercial Unit Owners shall not have any liability thereunder.

16.3.7 Existing Mortgage. In addition, if (in the case of a sale) the Outside Offeror was to assume or to take title to Offeree's Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Condominium Board (or its nominee or designee, if and as applicable) may purchase Offeree's Unit and assume or take title thereto subject to such mortgage or mortgages, as the case may be, provided and on condition that:

(a) the requisite Discretionary Approval or Consent of Sponsor is first obtained pursuant to said subsections 2.4.2(o) and 2.5.8 above (if and as applicable); and

(b) such mortgage or mortgages shall expressly provide or include substantially equivalent provisions to the effect that Residential and Storage Unit Owners shall have non-recourse, limited and joint liability in accordance with said Section 4.12 above, and the Commercial Unit Owners shall not have any liability thereunder.

16.3.8 Waiver of Partition, Use and Occupancy. While an Offeree's Unit is owned or leased by the Condominium Board or its nominee or designee, on behalf and as agent of all Residential and Storage Unit Owners, such Offeree's Unit shall be part of the Association's Residential Properties and all Residential, Storage and Commercial Unit Owners shall be deemed to have waived all rights of partition, use and occupancy with respect to such Offeree's Unit to the same effect as herein provided with respect to the Common Elements, all as set forth more fully in Section 16.20 below.

16.3.9 Board Decisions. The Residential Board Members (including both the Independent and the Sponsor Board Members) on behalf of the Condominium Board shall make all decisions concerning an Offeree's Unit, including whether or not to exercise the Match Offer Right (or Right of First Refusal) pursuant to Section 16.2 above and this Section 16.3 and all decisions relating to the Disposition of Offeree's Unit while owned or leased by the Condominium Board (or its nominee or designee, if and as applicable), except the Board (or its nominee or designee, if and as applicable) shall not have the right to cast the votes appurtenant to such Unit. These decisions include:

(a) the use of an Offeree's Unit (provided such use shall be in accordance with the Declaration and these By-Laws);

(b) the occupancy of an Offeree's Unit (provided such occupancy shall be in accordance and compliance with the Occupancy Requirements of the Declaration and these By-Laws);

(c) the sale, lease, Operation, mortgage (subject to obtaining the requisite Discretionary Approval or Consent of Sponsor pursuant to subsections 2.4.2(o) and 2.5.8 above, if and as applicable) or other Disposition of an Offeree's Unit (if owned by the Condominium Board) or the Operation and sublease of an Offeree's Unit (if leased by the Condominium Board); and

(d) the Maintenance, Repair, Alteration and other Operation, and all other Dispositions of, an Offeree's Unit.

Section 16.4 **Failure to Accept Offer**

16.4.1 90 Days to Consummate. In the event that the Residential Board Members on behalf of the Condominium Board shall decline or fail to accept an offer made pursuant to the terms of Section 16.2 hereof within the twenty (20) business days Option Period set forth in subsection 16.2.8 above, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale or Lease Agreement and stated in any responses to requests by the Board for additional documents and/or information, within ninety (90) calendar days after: (a) notice of declination is sent to the Offeree Unit

Owner by the Condominium Board; or (b) (if no such declination notice is sent during the Option Period) the expiration of the Option Period within which the Condominium Board or its nominee or 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 or Lease Agreement and stated in any said responses within such ninety (90) calendar day period, then the transaction shall be voidable at the sole option of the Residential Board Members on behalf of the Condominium Board and (if the Residential Board Members elect to void same) the Board will again have the Match Offer Right (or Right of First Refusal) to purchase or lease (as applicable) the Offeree's Unit and the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Sections 16.2, 16.3 and 16.4 hereof with respect to the original or any subsequent Outside Offeror.

Section 16.5 **Transactions Exempt from Match Offer Right**

16.5.1 Exempt Transactions. The following sales, transfers, conveyances and Leases are Exempt Transactions and not subject to the Condominium Board's Match Offer Right (or Right of First Refusal) under Section 16.2 hereof:

(a) (if Offeree Unit Owner is an individual) a sale, transfer, conveyance or Lease of any Offeree's Unit from its Owner to an adult member of such Owner's immediate family or to a trust for the benefit of such Owner or a member of such Owner's immediate family;

(b) (if Offeree Unit Owner is an Entity) a sale, transfer, conveyance or Lease of any Offeree's Unit from its Owner to: (b-1) any Entity in which such Owner owns more than 50% of the legal and beneficial interests; or (b-2) any Person who owns more than 50% of all legal and beneficial interests in such Owner;

(c) a transfer, conveyance or Lease of any Unit from its Owner to any Person who acquires title to or a Lease of such Owner's Unit as a gift or as an heir or distributee under the Owner's will or by intestacy;

(d) (if an Offeree Unit Owner is an individual who is judicially declared incompetent) a transfer, conveyance or Lease from such Owner to such Owner's legal guardian or representative;

(e) a sale, transfer or conveyance of any Unsold Unit, or a Lease or sublease of all or part of any Unsold Unit by Sponsor or an Unsold Unit Owner to any Person, or any such transaction of any Unit to Sponsor or an Unsold Unit Owner;

(f) a sale, transfer or conveyance of a Commercial Unit, or a Lease or sublease of all or part of a Commercial Unit, to any Person;

(g) a sale, transfer, conveyance, Lease or sublease of any Unit to the Condominium Board (or its nominee or designee) or from the Condominium Board (or its nominee or designee) to any Person;

(h) a sale, transfer or conveyance of any Unit from an officer or other Person conducting a foreclosure sale of a mortgage, or the lien of the Condominium Board under Section 339-z of the Condominium Act and Section 8.9 above, or other lien foreclosure sale to any Person;

(i) a transfer or conveyance of any Unit by deed in lieu of foreclosure from a Unit Owner to a lien holder (e.g., a Permitted Mortgagee, the Condominium Board or other lienor) or to any Person designated by a lien holder; and

(j) a sale, transfer or conveyance of any Unit from such lien holder or its designee to any Person.

16.5.2 Application to Succeeding Owner. Each succeeding Owner of a Unit shall be bound by, and such Owner's Unit shall continue to be subject to, all of the terms and conditions of this Article 16.

16.5.3 Proceeds of Sale or Rental. Apart from the charges and fees applicable in certain transactions as provided in Section 16.11 below, all proceeds realized on the sale or leasing of a Unit shall be retained by the Owner of such Unit, without participation by the Condominium Board or other Unit Owners.

Section 16.6 **Certificate of Waiver or Exemption as to Match Offer Right**

16.6.1 Requirement to Give Certificate. In the event the Condominium Board declines or fails to exercise or waives its Match Offer Right (or Right of First Refusal) or the proposed sale, transfer, conveyance or Lease is an Exempt Transaction pursuant to Section 16.5 above, the Condominium Board shall furnish, or cause the Managing Agent to furnish, to the applicable Offeree Unit Owner or the Owner whose Unit is exempt from the Match Offer Right pursuant to Section 16.5.1 above ("**Exempt Unit Owner**"), as applicable, and such Unit Owner shall receive, a written certification to such effect ("**Certificate**" or "**Certificate of Waiver or Exemption**") within the following ten (10) calendar day period: (a) in the case of an Offeree Unit Owner: within ten (10) calendar days after expiration of the twenty (20) business days Option Period set forth in subsection 16.2.8 above; or (b) in the case of an Exempt Unit Owner: within ten (10) calendar days after a reasonably detailed written request for such Certificate (setting forth the grounds for the Exempt Transaction) is given to the Condominium Board or its Managing Agent.

16.6.2 Execution and Contents of Certificate. The Certificate shall be executed and acknowledged by the following: (a) in the case of a Sold Unit: any Residential Board Member or any officer elected by the Residential Board Members or the Managing Agent; (b) in the case of an Unsold Unit: any Sponsor or Independent Board Member or any officer elected by the Sponsor or Independent Board Members or the Managing Agent; or (c) in the case of a Commercial Unit: any Commercial Board Member or any Residential Board Member, or any officer elected by either the Commercial Board Members or the Residential Board Members, or the Managing Agent.

The Certificate of the Condominium Board shall state in effect that: (a) the provisions of Section 16.2 hereof have been met by the Offeree Unit Owner and that the Match Offer Right (or Right of First Refusal) provided for therein has been duly released or waived by the Condominium Board or that the transaction is exempt from the provisions of Section 16.2 pursuant to Section 16.5 hereof (as applicable); and (b) as a result thereof, the rights of the Condominium Board under such Section 16.2 have terminated or are not applicable (as the case may be).

16.6.3 Effect of Certificate. Such Certificate 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 Certificate, the Offeree's Unit to which the same relates, together with its appurtenant Common Interest, may be conveyed or leased (as applicable) free and clear of the terms and conditions contained in Section 16.2 hereof.

16.6.4 Pre-requisite for Giving Certificate. The Condominium Board shall have the right (without liability for any Claims or Liabilities and Expenses or other recourse of the Offeree Unit Owner or the Exempt Unit Owner or the Outside Offeror) to refuse to issue such Certificate if: (a) the Offeree Unit Owner or Exempt Unit Owner (as applicable) is in default in the payment of Common

Charges (including Special Assessments, if any) or in the payment or performance of a substantial obligation under the Condominium Documents; or (b) the Offeree Unit or the Unit owned by an Exempt Unit Owner (as applicable) is subject to an unpaid lien (other than a Permitted Mortgage). Upon the curing of such default or the satisfaction (or appropriate provision acceptable to the Board is made for the satisfaction) of such unpaid lien (as applicable), the Condominium Board shall cease to refuse to issue the appropriate Certificate.

16.6.5 Failure of Board to Exercise or Consummate. The Match Offer Right (or Right of First Refusal) described in Section 16.2 hereof shall be deemed terminated, released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 16.2 and 16.4 hereof) even though the Condominium Board shall fail to furnish or cause the Managing Agent to furnish said Certificate of Waiver or Exemption within ten (10) calendar days after the expiration of the twenty (20) business days Option Period set forth in subsection 16.2.8 above within which the Condominium Board is to make its election; provided, however, that: (a) the Condominium Board shall fail to timely and properly exercise the Match Offer Right (or Right of First Refusal) or (if exercised) shall fail to consummate the Sale or Lease Agreement as provided in the Article 16; and (b) the Offeree Unit Owner shall have faithfully complied with the provisions of this Article 16.

16.6.6 Validity Unaffected. An Exempt Transaction pursuant to Section 16.5 hereof or a non-Exempt Transaction that meets the requirements of the preceding subsection 16.6.5 may be consummated without a Certificate and the failure to issue a Certificate for such transaction shall not affect the validity or enforceability of said transaction.

Section 16.7 **No Severance of Ownership**

A Unit Owner shall not execute any deed or other instrument conveying title to the Owner's Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one (1) 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 Common Interest appurtenant to any Unit may be sold, conveyed or other Disposition made thereof, except as part of a sale, conveyance or other Disposition of the Unit to which such Common Interest is appurtenant or as part of a sale, conveyance or other Disposition of such part of the Common Interests appurtenant to all Units. Nothing contained in this Section 16.7 however, shall prohibit the Lease of any Unit without the simultaneous Lease of its appurtenant Common Interest.

Section 16.8 **Payment of Common Charges**

A Unit Owner shall not be permitted to convey or Lease such Owner's Unit unless such Owner shall have paid in full to the Condominium Board all unpaid Common Charges theretofore assessed against such Unit (including past due installments of Special Assessments, but not installments not yet due and payable) and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, on such Unit. A letter from the Condominium Board or its Managing Agent stating the amount of Common Charges (including Special Assessments, if any) with respect to such Unit shall be conclusive evidence of such fact upon the Condominium Board and all Unit Owners in favor of all Persons who rely thereupon in good faith.

Section 16.9 **Unit Owner's Power of Attorney**

At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner, at such Owner's sole Cost and Expense, shall duly execute, acknowledge and deliver to the representative of such

new Owner's title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the Register's Office, and shall cause to be so recorded therein and shall pay all governmental charges and title company or agent service charges for recording, the Unit Owner's Power of Attorney required in Article 17 of the Declaration, in the form set forth as EXHIBIT E to the Declaration or then in use by the Condominium Board.

Section 16.10 **Gifts and Devises, Etc.**

In accordance with Section 16.5(c) above, any Unit Owner shall be free to convey or transfer the Owner's Unit, together with its appurtenant Common Interest, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction and without compliance with Section 16.2 hereof, provided, however, that each succeeding Unit Owner shall be bound by, and such Owner's Unit shall be subject to, the provisions of this Article 16.

Section 16.11 **Charges Imposed on Non-Exempt Transactions**

16.11.1 Charges. If not expressly prohibited by Law, the Condominium Board shall have the power to fix by resolution (without amending the Declaration or By-Laws) and collect, before the consummation of any sale, transfer, conveyance, Lease or sublease of a Sold Unit in any transaction that is not an Exempt Transaction under Section 16.5 hereof, a reasonable charge to cover the reasonable fees and expenses of the Condominium Board and/or the Managing Agent and/or any attorney retained by the Condominium Board in connection therewith. The Condominium Board may also fix by resolution (without amending the Declaration or By-Laws) and collect a reasonable charge to cover said reasonable fees and expenses in connection with a mortgage financing or mortgage refinancing of a Sold Unit if any Board action is requested in connection therewith (but not for any mortgage financing or refinancing of an Unsold Unit or a Commercial Unit, for which no charge shall be imposed or levied). In addition, the Condominium Board shall have the power to fix by resolution (without amending the Declaration or By-Laws) and collect a refundable security deposit in an amount fixed by the Board for potential damage to the Common Elements on moving into or out of a Sold Residential Unit in connection with a sale, conveyance, Lease or sublease of such Unit (whether or not such transaction is an Exempt Transaction, other an exemption based on the Unit being an Unsold Residential or Storage Unit or a Commercial Unit, for which no such security deposit may be imposed or collected). The proposed fees payable by such Sold Unit Owner to the Managing Agent, and said proposed security deposit, set forth in the Plan shall conclusively be deemed to be reasonable. If such charge is adopted, it shall be added to and constitute Common Charges payable by the Offeree Unit Owner.

16.11.2 No Charges on Exempt Transaction. In no event shall any charge, fee, security deposit, cost, expense or other imposition be fixed or collected for any sale, transfer, conveyance or Lease (or sublease) that is an Exempt Transaction under Sections 16.5 hereof, including in particular (but not limited to): any Unsold Residential or Storage Units or a Commercial Unit sold, transferred, conveyed or Leased (or subleased) to or by Sponsor, an Unsold Unit Owner or a Commercial Unit Owner (or a tenant of Sponsor, an Unsold Unit Owner or a Commercial Unit Owner), except that a refundable security deposit may be collected in connection with a move into or out of a Sold Residential Unit (but not a move into or out of an Unsold Residential Unit, for which no security deposit may be imposed or collected) as provided in subsection 16.11.1 above.

16.11.3 Flip Tax Authorization. The Condominium Board shall have the power to adopt by resolution (without amending the Declaration or By-Laws) a so-called "transfer fee", or "entrance fee" or "exit fee" (collectively, "**flip tax**") on the sale, transfer or conveyance of a Sold Unit in connection only with a transaction that is subject to the Match Offer Right (or Right of First Refusal) in

Section 16.2 hereof (but not in an Exempt Transaction under Section 16.5 hereof, for which no flip tax may be imposed or collected), provided and on condition that: (a) such flip tax shall be approved in writing or by vote at duly constituted meeting of Residential and Storage Unit Owners called for such purpose; (b) Owners of not less than two-thirds (2/3rds) in number and Common Interest of all Sold and Unsold Residential and Storage Units (excluding for quorum and voting purposes any Unit owned by the Condominium Board, or its nominee or designee), shall affirmatively approve the flip tax and the amount thereof; and (c) the flip tax is not expressly prohibited by Law. If such flip tax is adopted, it shall be added to and constitute Residential Common Charges payable by the Offeree Unit Owner. Apart from the charges and fees authorized in this Section 16.11, the Offeree Unit Owner shall retain all proceeds realized from the sale or leasing of the Offeree's Unit, without participation by the Condominium Board or Unit Owners.

Section 16.12 **Estoppel Certificate**

If requested in writing by a Unit Owner, the Condominium Board shall deliver to the requesting Unit Owner from time to time, and such Unit Owner shall receive within ten (10) calendar days after each written request is given, a written statement ("**Estoppel Certificate**"): (a) certifying the date to which Common Charges (including any Special Assessments) have been paid and the amount of any unpaid indebtedness owed under the Condominium Documents; and (b) acknowledging that there are not, to the best knowledge of the Condominium Board, any uncured defaults or violations on the part of the Unit Owner under the Condominium Documents, as same may be then amended, or specifying any defaults or violations if any are claimed.

The Estoppel Certificate shall be executed and delivered by the following:

(a) in the case of a Sold Residential or Storage Unit: any Residential Board Member or any officer elected by the Residential Board Members, or the Managing Agent, may execute and deliver such Estoppel Certificate;

(b) in the case of an Unsold Residential or Storage Unit: any Sponsor Board Member or Independent Board Member, or any officer elected by the Sponsor or Independent Board Members, or the Managing Agent, may execute and deliver such Estoppel Certificate; or

(c) in the case of a Commercial Unit: a Commercial Board Member or any Residential Board Member, or any officer elected by either the Commercial Board Members or the Residential Board Members, or the Managing Agent, may execute and deliver such Estoppel Certificate.

Such Estoppel Certificate may be included in a Certificate of Waiver or Exemption and shall be conclusive upon the Condominium Board and all Unit Owners in favor any prospective purchaser or any prospective or existing holder of a mortgage on, or any prospective or existing tenant of, the Owner's Unit who relies thereon in good faith. The failure of such Unit Owner to receive such Estoppel Certificate within said ten (10) calendar day period shall be conclusive upon the Condominium Board and all Unit Owners that: (a) the Unit Owner is current in the payment of Common Charges (including any Special Assessments); and (b) there is no unpaid indebtedness owed, nor any uncured defaults or violations on the part of such Unit Owner, under the Condominium Documents, as same may be amended. The Condominium Board shall be required to deliver an Estoppel Certificate to a Unit Owner not more often than twice in any twelve (12) months period.

Section 16.13 **Registration of Mortgages**

A Unit Owner who mortgages the Owner's Unit or the holder of such mortgage, shall register such mortgage ("**Registered Mortgage**") with the Condominium Board by supplying the Condominium Board with the name and address of the mortgagee ("**Registered Mortgagee**") and filing a conformed copy of the mortgage and the note secured thereby with the Condominium Board. The failure to comply with the foregoing shall not affect the validity or enforceability of the mortgage. Any mortgage on a Sponsor Unit at the date of First Closing of a Residential Unit under the Plan that is not satisfied at such First Closing shall be considered a Registered Mortgage regardless of compliance with the foregoing. A Unit Owner who satisfies a mortgage covering the Owner's Unit shall so notify the Condominium Board in writing and shall also file a conformed copy of the satisfaction of the mortgage with the Condominium Board. The Secretary of the Condominium shall maintain all such mortgage information and documents in a book entitled Mortgages of Units.

Section 16.14 **Prohibition and Restriction on Mortgaging**

16.14.1 Prohibition. No Unit Owner shall be permitted to mortgage, pledge or hypothecate such Owner's Unit unless and until such Owner shall have paid in full to the Condominium Board all unpaid Common Charges theretofore assessed against such Unit and shall have satisfied or bonded all unpaid liens against such Unit, except the liens of mortgages made in compliance with these By-Laws (collectively, "**Permitted Mortgages**" and individually, "**Permitted Mortgage**"). Notwithstanding the foregoing, any mortgage, pledge or hypothecation of an Unsold Unit without complying with the provisions of this subsection 16.14.1 shall not affect the validity or enforceability of such mortgage, pledge or hypothecation, but shall affect the priority of its lien, which shall be subject and subordinate to all then existing unpaid Common Charges (including Special Assessments) theretofore assessed against such Unit. Any mortgage on a Sponsor Unit at the date of First Closing of a Residential Unit under the Plan is a Permitted Mortgage.

16.14.2 Restriction. No Unit Owner shall execute any mortgage or other document mortgaging, pledging or hypothecating title to such Owner's Unit without including therein its appurtenant Common Interest, 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.

Section 16.15 **Notice of Unpaid Common Charges and Default**

Whenever requested in writing by a Registered Mortgagee who is the holder of a Permitted Mortgage ("**Permitted Mortgagee**"): (a) the Condominium Board shall with reasonable promptness notify such Permitted Mortgagee of any default or violation by its mortgagor-Unit Owner in the payment of Common Charges for more than one (1) calendar month or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has actual knowledge then exists; and (b) when giving notice of any default or violation to such mortgagor-Unit Owner, the Condominium Board shall also send a copy of such notice to such Owner's Permitted Mortgagee.

In no event, however, shall the Condominium Board (including its members, officers, agents, attorneys and employees) and Unit Owners be liable for any Claims or Liabilities and Expenses for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of such default by such mortgagor-Unit Owner or in failing to send a copy of such default notice to the Permitted Mortgagee. Nonetheless: (a) the Condominium Board shall advise such Permitted Mortgagee of the default or

violation with reasonable promptness after discovering such failure; and (b) if the Condominium Board shall foreclose its lien on such mortgagor's Unit pursuant to the terms of Section 8.13 hereof by reason of such default or violation, the Condominium Board shall pay to such Permitted Mortgagee the extent of any undistributed net proceeds of said foreclosure sale of such Unit then held by the Board (subject to and in accordance with the lien priority set forth in Article 8 above), but not more than the sum as shall be due and owing to such Permitted Mortgagee.

Section 16.16 **Performance by Permitted Mortgagees**

Any sum of money to be paid and any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid and performed by such Owner's Permitted Mortgagee. The Condominium Board shall accept such Permitted Mortgagee's payment and performance with the same force and effect as if the same were paid and performed by such Unit Owner.

Section 16.17 **Examination of Books**

Each Permitted Mortgagee and its authorized representative shall be permitted to examine the books of account of the Condominium during business hours, on business days, and on reasonable advance written notice, but not more frequently than once a month, all as provided more particularly in Section 14.7 above.

Section 16.18 **Consent of Mortgagees; Designation of Mortgage Representatives**

16.18.1 When Consent Required. Except as otherwise expressly provided in the Declaration or these By-Laws, 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 the mortgagor-Unit Owner under the mortgage held by such mortgagee. 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" (as defined in, and if any are designated pursuant to the terms of, the following subsection 16.18.2) shall be deemed binding upon the holders of all mortgages encumbering Units.

16.18.2 Mortgage Representative(s). The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more that three (3) representatives ("**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 one (1) or more Mortgage Representatives pursuant to the terms of this subsection 16.18.2 shall be effective until any successor Mortgage Representatives is (are) 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 encumbering Units other than Permitted Mortgagees who hold 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.

Section 16.19 **Subordination**

The mortgage lien of any mortgagee of a Unit shall automatically be subordinate to the terms and provisions of the Declaration and these By-Laws, and any such mortgage that fails to provide for such

subordination shall nonetheless be deemed to provide for such subordination. Although no further instrument shall be required to effectuate such subordination, each mortgagee of a Unit, by accepting such mortgage, agrees to execute and deliver any instruments and documents required to be executed and delivered by the Condominium Board in connection with the confirmation of such subordination. In the event such mortgagee fails to execute and deliver any such instruments or documents, its acceptance of such mortgage shall be deemed to constitute its appointment of the Condominium Board as its true and lawful attorney-in-fact in its name, place and stead to execute and deliver any such instruments and documents, such power being "coupled with an interest" and for valuable consideration, and with full power of substitution.

Section 16.20 **Waiver of Rights of Partition, Use and Occupancy of Units Acquired By Board**

In the event that any Residential or Storage Unit shall be acquired or leased by the Condominium Board, or its nominee or designee, on behalf of Unit Owners, such Unit shall be part of the Association's Residential Properties and the ownership or lease to such Unit shall be deemed held on behalf of only the Residential and Storage Unit Owners, as tenants-in-common, and all such Owners and the Commercial Unit Owners shall be deemed to have waived all rights of partition, use and occupancy with respect to such Unit. All Costs and Expenses incurred in connection with the acquisition and ownership, or the lease and any sublease of such Unit, as well as the Maintenance, Repair, Alteration and Operation and Disposition of such Unit shall be part of the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and Section 339-m. Similarly, all revenues derived from the rental, Operation, sale, permitted mortgaging or other Disposition of such Unit shall be used to defray the Residential Common Expenses or for such other appropriate purposes as shall be determined by the Board.

Section 16.21 **Registration of Tenants**

The tenant under any lease demising space in all or a portion of any Unit who is authorized in writing by the Unit Owner to have the benefits and protection of Sections 16.22 and 16.23 below, may register with the Condominium Board by furnishing to the Condominium Board a written statement of its name and address, the date of its lease, a description of the premises demised to it, and the last date on which such lease is scheduled to expire. Any tenant having so registered is herein called a "**Registered Tenant**".

Section 16.22 **Notices to Registered Tenants**

Whenever requested in writing by a Registered Tenant of a Unit: (a) the Condominium Board shall with reasonable promptness notify such Registered Tenant of any default or violation by the Owner of such Unit in the Owner's payment of Common Charges (including any Special Assessments) for more than one (1) calendar month; and (b) when giving notice of any default, violation or failure to comply with the Condominium Documents to the Owner of such Unit, the Condominium Board shall also send a copy of such notice to each Registered Tenant of such Owner's Unit.

In no event, however, shall the Condominium Board and Unit Owners be liable for any Claims or Liabilities and Expenses for any failure, through oversight or negligence, in notifying a Registered Tenant of such default, violation or failure, by such Unit Owner or in failing to send a copy of notice thereof to said Registered Tenant. Nonetheless, with reasonable promptness after the Board discovers its failure, the Condominium Board shall advise such Registered Tenant of the Unit Owner's default, violation or failure.

Section 16.23 **Performance by Registered Tenants**

Any sum of money to be paid and any act to be performed by a Unit Owner pursuant to the provisions of the Declaration or these By-Laws may be paid and performed by such Owner's Registered Tenant, and the Board shall accept such Registered Tenant's payment and performance with the same force and effect as though same were paid and performed by such Unit Owner.

ARTICLE 17

CERTAIN REMEDIES

Section 17.1 **Self Help**

17.1.1 Notice of Violation. If a Unit Owner shall violate or breach or default under any of the provisions of the Condominium Documents on such Owner's part to be observed or performed (hereinafter collectively, "**violations**" or derivations thereof), including any violations of Owner's obligation to Maintain and Repair the Owner's Unit pursuant to the terms of Article 14 of the Declaration or these By-Laws, and shall fail to cure such violation within thirty (30) calendar days after being given written notice of the same from the Condominium Board or the Managing Agent (if any), or with respect to any violation not reasonably susceptible to cure within such period, shall fail to diligently to commence such cure and, thereafter, to prosecute such cure with due diligence to completion (but in no event longer than ninety (90) calendar days from the giving of such notice), the Condominium Board or (if the Condominium Board fails to act) Sponsor (during only the Sponsor Veto Control Period and until issuance of the said permanent Certificate of Occupancy of the Building) shall each have the right to enter such Owner's Unit and/or its appurtenant Limited Common Element (if any) and, at the sole Cost and Expense of the offending Unit Owner, to summarily abate, remove or cure such violation without thereby being deemed guilty or liable in any manner of trespass or otherwise ("**Right of Self-Help**"). The offending Unit Owner shall reimburse the Condominium Board or Sponsor (as applicable) for such Costs and Expenses incurred to remedy such violation within ten (10) calendar days after being given written demand therefor accompanied by a detailed bill itemizing same, together with the Costs and Expenses of collection thereof and per diem interest on all said Costs and Expenses incurred at a rate equal to the lower of 16% a year or the highest rate allowed by Law, computed from the date each item of Cost and Expense is incurred or paid to the date full payment of same is received by the Condominium Board or Sponsor (as applicable). All Cost and Expense billed by the Condominium Board pursuant to the foregoing shall be regarded as part of the Common Charges assessed to and payable by, such offending Unit Owner.

17.1.2 No Violation Notice in Emergency. In addition, in the event that the Condominium Board or (if the Condominium Board fails to act) Sponsor (during only the Sponsor Veto Control Period and until the issuance of said permanent Certificate of Occupancy of the Building) shall determine that the abatement, removal or cure of any such violation is immediately necessary for the preservation of the Building or for the life, health or safety of the occupants of the Building or other individuals, or is required to avoid the suspension of any necessary service in the Building or to correct any dangerous or hazardous condition, the Condominium Board or Sponsor (as applicable) may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation.

17.1.3 Board Violation. If the Condominium Board shall violate any of Sponsor's/Commercial Owners' Rights as defined in Section 28.1 of the Declaration or fails to perform or comply with its obligations under the Condominium Documents, including those relating to the

Maintenance and Repair of the Common Elements (as provided in Article 14 of the Declaration) or to the restoration of the Common Elements after a casualty loss or a Taking by eminent domain or condemnation (as defined and provided respectively in Articles 7 and 18 hereof), then: (a) the Condominium Board shall indemnify Sponsor and the Commercial Unit Owners from and against any resulting Claims and Liabilities and Expenses; and (b) Sponsor and the Commercial Unit Owners shall each have the Right of Self-Help, but not the obligation, to correct such violation or perform such defaulted obligation in the name, and at the Cost and Expense, of the Condominium Board and specially allocated and apportioned to those Unit Owners required to pay the Costs and Expenses to correct such violation or perform such defaulted obligation under these By-Laws or the Declaration in accordance with the Special Allocation and Apportionment Rule and Section 339-m. This indemnity and Right of Self-Help will apply only if: (a) the Board's violation or failure to perform occurs while the Independent Board Members constitute a majority of all Board Members; and (b) (in the case of a violation issued or noted by a Governmental Authority against the Building) Sponsor is not obligated to correct the violation under the Plan.

17.1.4 Board Cure Period. In addition, before Sponsor or a Commercial Unit Owner (as applicable) undertakes any Work to be paid or reimbursed by the Condominium Board:

(a) Sponsor or such Commercial Unit Owner (as applicable) shall first send to any Independent Board Member written notice ("**Self-Help Notice**") of the election of Sponsor or such Commercial Unit Owner (as applicable) to do the Work at the expense of the Condominium Board; and

(b) the Condominium Board shall be given the following period to commence the Work: (b-1) thirty (30) calendar days from giving the Self-Help Notice (if, in the reasonable judgment of Sponsor or said Commercial Unit Owner, as applicable, the Work will cost in the aggregate under $100,000); (b-2) sixty (60) calendar days from giving the Self-Help Notice (if, in the reasonable judgment of Sponsor or said Commercial Unit Owner, as applicable, the Work will cost in the aggregate $100,000 or more); or (b-3) ninety (90) calendar days from receipt of any proceeds of insurance (in the case of a casualty) or of any award (in the case of a Taking by eminent domain or condemnation); and

(c) the Condominium Board shall be allowed a reasonable period to complete the Work with reasonable diligence and continuity.

In the event the Condominium Board does not begin the Work within the applicable time period or the Condominium Board does not complete the Work within a reasonable period, Sponsor or said Commercial Unit Owner (as applicable) may (but is not obligated to) proceed to do the Work in the name, and at the Cost and Expense, of the Condominium Board, as provided in subsection 17.1.3 above.

17.1.5 Reimbursement of Sponsor or Commercial Unit Owner. In the event Sponsor or a Commercial Unit Owner (as applicable) elects to do the Work, the Condominium Board will reimburse Sponsor or such Commercial Unit Owner (as applicable), promptly after written demand is made, for the Costs and Expenses of Sponsor or said Commercial Unit Owner (as applicable) incurred in connection therewith. Sponsor's or said Commercial Unit Owner's (as applicable) demand notice shall be accompanied by a reasonably detailed statement of the Costs and Expenses to be reimbursed and copies of any supporting or relevant bills. If full payment is not received by Sponsor or said Commercial Unit Owner (as applicable) within ten (10) business days after giving the demand notice, the Condominium Board shall reimburse Sponsor or said Commercial Unit Owner (as applicable) per diem interest thereon (for lost opportunity of earnings on the amount owed), at a rate equal to the lower of 16%

a year or the highest rate allowed by Law, computed from the first day following the ten (10) business day period through the date payment is received by Sponsor or said Commercial Unit Owner, as applicable. In addition, the Condominium Board shall reimburse Sponsor or said Commercial Unit Owner (as applicable) for the Costs and Expenses incurred to collect the amounts owed. All amounts to be so reimbursed by the Condominium Board shall be borne by the applicable Unit Owners in accordance with subsection 17.1.3 above.

17.1.6 Indemnity. If the Condominium Board or Sponsor or a Commercial Unit Owner (each, an "**Aggrieved Party**") exercises the Right of Self-Help pursuant to this Section 17.1, such Aggrieved Party shall be deemed to have agreed to indemnify (a) the alleged offending Party, (b) (if the Board is not the Aggrieved Party) the Condominium Board, and its members, officers, employees, agents (including the Managing Agent) and attorneys and (c) each Unit Owner from and against any and all Claims and Liabilities and Expenses caused by negligence or improper acts or omissions which may be incurred by the indemnified Parties in connection with such exercise of its Right of Self-Help.

17.1.7 Duty to Protect. An Aggrieved Party exercising the Right of Self-Help shall make all reasonable efforts to protect life, health, safety and security of Owners, tenants and occupants of Units and property located in the portion of the Property to which Work is being performed pursuant thereto and shall not unreasonably interfere with the use or Operation of, or the business being conducted in, such portion of the Property for its intended purposes.

Section 17.2 **Abatement and Enjoinment**

17.2.1 Unit Owner Violation. In the event that any Unit Owner shall violate any of the provisions of the Condominium Documents on such Owner's part to be observed or performed, the Condominium Board or (if the Condominium Board fails to act) Sponsor (during only the Sponsor Veto Control Period and until the issuance of said permanent Certificate of Occupancy of the Building) shall have the right to enjoin, abate or remedy the continuance or repetition of any such violation by appropriate Lawsuit.

17.2.2 Violation of Sponsor's/Commercial Owners' Rights. The violation of any of the terms of the Condominium Documents or the Plan with respect to any of Sponsor's/Commercial Owners' Rights thereunder shall give to Sponsor or the aggrieved Commercial Unit Owner (as the case may be) the right to enjoin, abate or remedy the continuation or repetition of any such violation by appropriate Lawsuit.

17.2.3 Reimbursement. The offending Party who is the subject of a Claim or Lawsuit brought pursuant to this Section 17.2 shall be obligated to reimburse the Party bringing such Claim or Lawsuit for all Costs and Expenses incurred in connection with such violation and the resulting Claim or Lawsuit, as well as all Costs and Expenses of collection thereof. The demand notice shall be accompanied by a reasonably detailed statement of all Costs and Expenses to be reimbursed and copies of any supporting or relevant bills.

17.2.4 Part of Common Charges. All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Article 17 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner promptly following written demand or with the next regular monthly payment of Common Charges (as directed by the Board).

Section 17.3 **Remedies Cumulative**

The remedies specifically granted to each of the Condominium Board, Sponsor and each Commercial Unit Owner in this Article 17 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 or Sponsor or a Commercial Unit Owner, 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.

ARTICLE 18

CONDEMNATION OR EMINENT DOMAIN

Section 18.1 **Taking of Entire Property**

If the entire Property is taken in condemnation or by eminent domain (herein called "**Taken**" or a "**Taking**"), then the award of the Taking authority shall be distributed among all Unit Owners Pro Rata to the respective then existing fair market values of the Units and their appurtenant Common Interests as determined by the Taking authority. Each Unit Owner shall have the right to pursue a separate Claim against the Taking authority for its share of the award, which may include an award for all fixtures, additions and improvements which are part of the Owner's Unit as well as for relocation and moving expenses and similar allowances designed to facilitate relocation of a displaced business concern (in the case of a Commercial Unit) or a displaced household (in the case of a Residential Unit).

Section 18.2 **Taking of Units**

If only one (1) or more, but not all, Units are Taken, then the award of the Taking authority shall be distributed exclusively to or among the Owner or Owners of the Units (as applicable) so Taken. In the latter case, the award shall be distributed to each such Owner shall be Pro Rata to the respective then existing fair market values of the Units and their respective appurtenant Common Interests Taken (i.e., in the proportion that then existing fair market value of such Owner's Unit and its appurtenant Common Interest bears to the then existing aggregate fair market values of all Units and their respective appurtenant Common Interests Taken), as such fair market values are determined by the Taking authority. Each such Unit Owner shall have the right to pursue a separate Claim against the Taking authority for its share of the award, which may include an award for the Unit's fixtures, additions and improvements as well as for the Owner's relocation and moving expenses as provided in Section 18.1 above.

In the event the remaining Unit Owners elect to withdraw the Property from the Condominium Act in accordance with Section 19.1(c) of the Declaration, then the portions of the Property not Taken shall be subject to an action for partition pursuant to Section 19.2 of the Declaration, which shall apply with respect to said remaining Unit Owners.

Section 18.3 **Taking of Portions of Common Elements**

18.3.1 Board Authority. If the entire Property is not Taken but portions of the Common Elements are Taken, regardless of whether one (1) or more Units are also Taken, the Condominium Board as agent and on behalf of Unit Owners shall have the exclusive right and authority to pursue a Claim against the Taking authority with respect only to the portions of the Common Elements Taken and the remaining portions of Common Elements and the remaining Units damaged or destroyed by the Taking, except as otherwise provided in subsection 18.3.2 below. The Board's right and authority to pursue such Claim includes the following: (a) to present evidence, negotiate, settle and otherwise conduct and make all decisions as to the proceedings before the Taking authority and all Lawsuits

resulting therefrom; (b) to execute and acknowledge in the name of Unit Owners, as attorney-in-fact, all Litigation Documents, settlement agreements, releases and other documents in furtherance of the foregoing; and (c) to retain legal counsel, appraisers and other professionals and experts in connection with the foregoing.

18.3.2 Separate Claims of Units Taken. Each Owner of a Unit which is also Taken with portions of the Common Elements shall continue to have the right to pursue a separate Claim against the Taking authority with respect to such Owner's Unit and its appurtenant Common Interest, including the Unit's Equipment, Installations, fixtures, additions and improvements, as well as the Owner's moving and relocation expenses as provided in Section 18.2 above. However, the Claim with respect to a Unit not Taken but that is damaged or destroyed by the Taking shall be pursued exclusively by the Board in accordance with the preceding subsection 18.3.1, except that the Owner of such damaged or destroyed Unit shall have the exclusive right to pursue any Claim against the Taking authority with respect to the Unit's Equipment, Installations, fixtures, additions and improvements (other than those to be Repaired by the Board) and the Owner's relocation and moving expenses.

18.3.3 Allocation of Award. The award in such Taking under subsection 18.3.2 above shall be allocated between or among the Common Elements Taken and the Unit or Units Taken Pro Rata to their respective then existing fair market values. Such values shall be determined in accordance with the floor space Taken (including the floor space of a Unit Taken together with the floor space of the Individual Limited Common Element, if established, appurtenant to such Unit also Taken), the relative value of said floor space Taken to other space in the Property, the uniqueness of said floor space Taken, the overall dimensions of the remaining floor space not Taken, and any decrease in the availability, utility, function or performance of Common Elements for common use or exclusive or substantially exclusive use resulting from such Taking. Any Unit Owner who has the right to use, or to exclusive or substantially exclusive use of, the affected Common Elements or whose Unit is Taken may dispute any appraisal obtained to determine such values and submit the controversy to arbitration in accordance with Article 19 below.

18.3.4 Application of Award. The award of the Taking Authority made with respect to the Common Elements and Units that are not Taken but are damaged or destroyed by the Taking shall be paid to the Condominium Board as agent and on behalf of all Unit Owners and applied by the Board in the following order: first, to pay the Costs and Expenses incurred by the Condominium Board to recover the award; and second, the balance ("**Net Award Trust Funds**") to Repair the remaining Units and remaining portions of the Common Elements not Taken but that are damaged or destroyed by the Taking, such Repair to be performed on the same basis as set forth in the provisions of Section 7.3 above, which shall apply and be followed with respect to such Repair of said damaged Units and Common Elements. Such Net Award Trust Funds shall be allocated to the affected General Common Elements, Residential Limited Common Elements and (if established) Commercial Limited Common Elements and Individual Limited Common Elements Pro Rata to the Costs and Expenses to Repair same, which allocation shall be made on the same basis as set forth in the provisions of Section 7.4 above, which also shall apply and be followed with respect to such allocation of Net Award Trust Funds. If the Net Award Trust Funds shall be insufficient to pay the Costs and Expenses of performing such Repairs, the Board shall levy a Special Assessment to pay the deficiency, which Special Assessment shall be levied on the Residential and Storage Unit Owners and/or the Commercial Unit Owners (as applicable) on the same basis as set forth in the provisions of Section 7.5 above, which also shall apply and be followed with respect to such insufficiency in the Net Award Trust Funds. If, conversely, the Net Award Trust Funds shall exceed the Costs and Expenses of performing such Repairs, such surplus shall be distributed to the Residential and Storage Unit Owners and/or the Commercial Unit Owners (as applicable), which distribution shall be

made on the same basis as set forth in the provisions of Section 7.6 above, which also shall apply and be followed with respect to such surplus in the Net Award Trust Funds.

In the event Repairs are not made and the remaining portions of the Property not Taken shall become the subject of an action for partition, then the Net Award Trust Funds shall be distributed to all remaining Unit Owners Pro Rata to the respective then existing fair market values of the Units and their appurtenant Common Interests in accordance with Section 19.2 of the Declaration.

18.3.5 Unsold Units and Commercial Units. If an Unsold Unit or a Commercial Unit, or any portion thereof, shall be the subject of all or part of any Repairs, then notwithstanding anything herein to the contrary, Sponsor or other Owner of such Unsold Unit or Commercial Unit (as applicable) shall have the exclusive right to arrange, make all determinations and supervise the Repairs, Decorating, finishing and equipping of such Owner's Unsold Unit or Commercial Unit (as applicable).

18.3.6 Party in Charge. If the damage or destruction is to be Repaired and affects exclusively or substantially exclusively a single Unit, then notwithstanding anything herein to the contrary, the Owner of such Unit shall promptly make all arrangements and determinations as to, and shall supervise, the Repairs thereof. In all other cases, the Condominium Board shall promptly make all such arrangements and determinations of, and shall supervise, the Repairs, except as otherwise expressly provided in subsection 18.3.5 above with respect to Sponsor's/Commercial Owners' Rights to do the same with respect to Unsold Units or the Commercial Units (as applicable).

18.3.7 Decorations. The Costs and Expenses to make Repairs to coverings, finishes, treatments and other Decorations of walls, floors or ceilings of the General Common Elements, Residential Limited Common Elements and (if established) Commercial Limited Common Elements and Individual Limited Common Elements shall be part of the following Common Expenses to the extent the Net Award Trust Funds, after being allocated and applied for all other Repairs in accordance with this Article 18, shall be insufficient therefor:

(a) in the case of said Decorations of the General Common Elements, such Costs and Expenses shall be part of the General Common Expenses, which shall be allocated to all Residential and Storage Unit Owners and the amount allocated to each Commercial Unit Owner shall be limited or restricted strictly to the extent of said Costs and Expenses to Decorate those General Common Elements that actually or are actually utilized by such Commercial Unit Owner; and the amount so allocated to all Unit Owners shall generally be apportioned and assessed among them Pro Rata to their respective Common Interests, unless the amount fairly and properly attributable to a Commercial Unit Owner or to the Residential and Storage Unit Owners would otherwise require, in which case such fair and proper apportionment shall be used;

(b) in the case of said Decorations of the Residential Limited Common Elements, such Costs and Expenses shall be part of the Residential Common Expenses, which shall be specially allocated to only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests in accordance with the Special Allocation and Apportionment Rule and Section 339-m; or

(c) in the case of said Decorations of the Commercial Limited Common Elements or Individual Limited Common Elements (if established), such Costs and Expenses shall be specially allocated and assessed solely to the Unit Owner or Unit Owners having exclusive use of such Commercial Limited Common Elements or Individual Limited Common Elements (as applicable).

Section 18.4 **Lien Priority**

No payment of any award or surplus Net Award Trust Funds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share thereof, such amounts as may be necessary to pay off all unpaid liens on the Owner's Unit (including the liens of mortgages and the liens of the Condominium Board) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event a Special Assessment is levied pursuant to the terms of subsection 18.3.4 above for any projected deficiency in the amount of the Net Award Trust Funds available to the Condominium Board and, after the payment of all Costs and Expenses incurred in connection with the Repairs, any portion of the Net Award Trust Funds remains unspent, such surplus Net Award Trust Funds shall, to the extent such Special Assessment contributed to such surplus, be deemed to be, and shall constitute, an unspent Special Assessment and shall be refunded to the applicable Unit Owners so assessed in proportion to the amount assessed, free of any claim of any lienor (including, without limitation, any mortgagee) other than the lien of the Condominium Board.

Section 18.5 **Adjustment of Common Interests**

18.5.1 Changes in Common Interests. If a portion of the Property Taken is no longer subject to the Condominium Documents and the Property shall not be subject to a partition action as provided in Section 19.2 of the Declaration, then the Common Interest of each Unit affected by such Taking shall be eliminated (if an entire Unit is Taken) or proportionately reduced (if only a portion of a Unit is Taken) and the Common Interests appurtenant to all other Units shall be proportionately increased by the amount of change in Common Interest of the affected Unit so that the total Common Interests of all remaining Units shall equal 100%. All such proportionate changes in Common Interests shall be based on the same factors used originally to determine the Common Interests as set forth in Article 8 of the Declaration. Any dispute that may arise hereunder shall be resolved by arbitration pursuant to Article 19 below.

18.5.2 Procedure. All changes in Common Interests shall be reflected in a duly recorded Amendment to the Declaration and (to the extent required by the Condominium Act) Floor Plans, which shall be prepared by the Condominium Board. The Amendment to the Declaration shall be executed and acknowledged in recordable form by the Condominium Board and the remaining Unit Owners and holders of recorded liens on such Units in accordance with Article 22 of the Declaration. In lieu of executing the Amendment, such Unit Owners and lienors may execute and acknowledge in recordable form a separate consent which shall be attached to the Amendment.

18.5.3 Changes in Votes. Following said Taking of all or a portion of a Unit and the recording of such Amendment to the Declaration and (if applicable) said consent to such Amendment, the votes based on the Common Interest appurtenant to the affected Unit shall be based on its new Common Interest (in case of only a partial Taking) or shall wholly terminate (in the case of a Taking of the entire Unit) and the votes based on Common Interests appurtenant to all other Units whose Common Interests are changed pursuant to subsection 18.5.1 above shall be based on their new Common Interests.

Section 18.6 **Abatement in Common Charges**

If due to destruction or damage caused by a Taking a Unit is rendered wholly or partially unusable for the purposes permitted in the Declaration, or the means of reasonable access thereto is prevented, the Common Charges otherwise payable by the Owner thereof shall proportionately abate until such Unit shall again be rendered useable for the purposes permitted in the Declaration and/or until the means of reasonable access thereto shall be restored, as the case may be. The amount of abatement shall be determined by the Condominium Board, in its discretion, reasonably exercised. To the extent that the

amount of such abatement is not covered by insurance maintained by the Board and the affected Unit is a Residential or Storage Unit, such uninsured amount shall be included in the Common Charges payable by only all Residential and Storage Unit Owners and apportioned and assessed among them Pro Rata to their respective Common Interests. The foregoing notwithstanding, if the destruction or damage shall be caused by an act, omission or negligence of the Owner or a tenant or occupant of the affected Unit, or any contractor or worker engaged by such Owner or tenant, the Common Charges otherwise payable by such Owner shall abate only to the extent of any proceeds of business interruption or similar insurance actually collected by the Condominium Board with respect to such affected Unit.

ARTICLE 19

ARBITRATION

Section 19.1 **Submission to Arbitration**

19.1.1 Requirement to Arbitrate. This Article shall constitute a written agreement of the Parties to submit to arbitration (and not Litigation) conducted in The City of New York in accordance with the terms of this Article 19 and the then "applicable commercial arbitration rules" (as defined in Section 19.3 below) any dispute, controversy or claim arising out of, or concerning, the Declaration or these By-Laws for which arbitration is required or permitted under the Declaration or these By-Laws, provided that: (a) the only Parties to the dispute are Unit Owners or one (1) or more Unit Owners and the Condominium Board; and (b) if the terms of this Article 19 differ from or conflict with the then applicable commercial arbitration rules, the arbitrators shall be chosen and the arbitration shall be governed in accordance with and pursuant to the terms and provisions of this Article 19.

19.1.2 Exclusive Dispute Resolution Method. Arbitration in accordance with this Article shall be the exclusive dispute resolution method for any dispute for which arbitration is required or permitted under the Declaration or these By-Laws, unless: (a) expressly provided otherwise in the Declaration or these By-Laws; or (b) all Parties to the dispute unanimously agree to vary any of the terms of this Article or unanimously agree to resolve their dispute in any other manner (including 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" or an equivalent statute).

Section 19.2 **Notice of Arbitration**

The Party desiring arbitration of such dispute, controversy or claim shall give notice ("**Arbitration Notice**") of its intention to submit such dispute, controversy or Claim to arbitration. Such Arbitration Notice shall set forth with particularity the dispute, controversy or claim sought to be arbitrated, and shall, in addition, comply with any applicable requirements of the then applicable commercial arbitration rules, which requirements supplement, without conflicting with, the foregoing requirements in this sentence regarding such notice.

Section 19.3 **Commercial Arbitration Rules**

For purposes of this Article 19, the term "**then applicable commercial arbitration rules**" shall mean the commercial arbitration rules then applicable of the American Arbitration Association (or any successor thereto with similar function). If the American Arbitration Association or any successor thereto with similar function shall not then be in existence, the Parties to an arbitration to which the arbitration rules of the American Arbitration Association (or any successor thereto with similar function) would otherwise apply under this Article 19, during the fifteen (15) calendar day period following the giving of the Arbitration Notice referred to in Section 19.2 above, shall endeavor to agree upon an appropriate body

of rules to govern arbitration to be conducted pursuant to this Article 19, and such rules so agreed on shall be the then applicable arbitration rules. However, if said Parties fail to so agree within such fifteen (15) calendar day period, such arbitration shall be governed by, and the then applicable arbitration rules shall be, the rules then applicable of the entity most commonly utilized in the New York City metropolitan area for the arbitration of commercial disputes.

Section 19.4 **Selection of Arbitrators**

19.4.1 Definition. The term "**Appointing Authority**" shall mean the entity or body that administers the then applicable commercial arbitration rules, provided that if such entity or body shall be affiliated with or subject to control by any Party to an arbitration, the Appointing Authority for purposes of such arbitration shall instead be the entity at the time most commonly utilized in the New York City metropolitan area for the arbitration of commercial disputes and which is not so affiliated or subject to such control.

The term "**qualified arbitrator**" as used herein shall mean a disinterested individual having not less than ten (10) years experience relating to residential and commercial mixed-use real estate in New York City relatively comparable to the Property and relating to the specific matter in dispute.

19.4.2 Number of Arbitrators. In any dispute involving claims exceeding $100,000 in the aggregate, the dispute shall be submitted for resolution by three (3) arbitrators selected in accordance with subsection 19.4.3 below. All other disputes shall be submitted for resolution by a single arbitrator.

19.4.3 Procedure. In the case of a dispute to be resolved by three (3) arbitrators as provided in subsection 19.4.2 above, the Party desiring arbitration shall appoint a qualified arbitrator on its behalf, and give notice thereof to the other Party or Parties to the arbitration, who shall, within fifteen (15) calendar days thereafter, collectively (if more than one other Party), appoint a second qualified arbitrator on its or their behalf and give written notice thereof to the first Party. The arbitrators thus appointed shall, within fifteen (15) calendar days following the appointment of the second arbitrator, appoint a third qualified arbitrator and said three arbitrators shall, as promptly as possible (but in any event within thirty (30) calendar days following the appointment of the third arbitrator), determine the matter which is the subject of the arbitration, and whether any damages, costs or expenses are to be awarded in connection therewith.

19.4.4 Selection by Appointing Authority. If a Party to the arbitration having the right pursuant to subsection 19.4.3 above to appoint an arbitrator fails or neglects to do so within the requisite fifteen (15) calendar day period, or if the two (2) arbitrators appointed by the Parties to the arbitration shall fail to appoint a third arbitrator within the requisite fifteen (15) calendar day period following the appointment of the second arbitrator, then any of the Parties to the arbitration may apply to the Appointing Authority for the appointment of such arbitrator.

19.4.5 Successor. In the event any of the three (3) arbitrators selected pursuant to subsection 19.4.3 or 19.4.4 above shall fail, refuse or be unable to act, his or her successor shall be appointed within ten (10) calendar days by the Party or Parties to the arbitration who originally appointed him or her, or in the event such Party or Parties shall fail to so appoint such successor, or in the case of the third arbitrator, his or her successor shall be appointed as provided in subsection 19.4.4 above. None of the Parties to the arbitration shall raise any challenge or objection as to the full power and jurisdiction of the Appointing Authority to entertain such application and make such appointment.

Section 19.5 **Decision of Arbitrator(s); Binding Effect**

19.5.1 Majority Requirement. The decision of the arbitrator (in the case of a single arbitrator) or a majority of the arbitrators (in the case of three (3) arbitrators) shall be delivered to the Parties to the arbitration by the arbitrator(s) when made and shall be controlling for all purposes under the Declaration and these By-Laws immediately upon receipt by said Parties of a copy of the decision.

19.5.2 Immediately Effective. The effectiveness and implementation of such decision for such purposes shall not be delayed or postponed pending confirmation of the arbitration decision or award or entry of judgment upon the decision or award, notwithstanding any challenge or contest by any of said Parties with respect to the decision or award, and notwithstanding any application or other request by any of said Parties that the arbitrator(s) or any court or other body stay, set aside, nullify or otherwise change the decision or award. Said Parties shall make no request or other application to the arbitrator(s) or any court or other body for any injunction, stay or other relief that would be contrary to the provisions of the preceding sentence, and agree that the arbitrator(s), any court and any other body shall have no jurisdiction or other authority to consider any request or other application for, or to grant, any injunction, stay or other relief that would violate any provision of this Article 19.

19.5.3 Subsequent Change. If any decision of the arbitrator (in the case of a single arbitrator) or a majority of the arbitrators (in the case of three (3) arbitrators) shall be set aside, nullified, modified or otherwise changed after the Parties to the arbitration receive a copy of the original decision or award, said Parties shall thereupon comply with the action setting aside, nullifying, modifying or otherwise changing the original decision or award, with such changes and adjustments by said Parties in actions taken pursuant to the original decision as may be necessary for such purpose.

19.5.4 Binding and Conclusive. In any such arbitration, the determination of such dispute, controversy or Claim by such arbitration shall constitute the final determination thereof and shall be binding and conclusive upon the Parties to such arbitration and shall constitute an "award" by the arbitrator within the meaning of the American Arbitration Association rules and judgment may be entered thereon in any court of competent jurisdiction.

19.5.5 Immunity and Indemnity of Arbitrators. No arbitrator, including an arbitrator selected by any Party to the arbitration, shall have any liability to any other Party to the arbitration by reason of the arbitrator's participation in any determination made under this Article 19, and each of the Parties to the arbitration shall indemnify the arbitrator(s) from and against any and all Claims and Liabilities and Expenses asserted against any arbitrator by reason of such arbitrator's participation in any such determination.

Section 19.6 **Expenses of Arbitration**

Except as otherwise determined by the arbitrator (in the case of a single arbitrator) or a majority of the arbitrators (in the case of three (3) arbitrators), whose determination shall be binding and conclusive upon all Parties to the arbitration, the expenses of arbitration shall be shared equally by said Parties, and each of said Parties shall be responsible for the fees and expenses of its own attorneys and other representatives and witness.

Section 19.7 **Limitation on Power of Arbitrator(s)**

The arbitrator(s) shall apply the Law of the State of New York without regard to principles of conflict of Laws and shall have no power to vary or modify any of the provisions of the Declaration or these By-Laws, and the powers and jurisdiction of the arbitrator(s) are hereby limited accordingly.

Section 19.8 **Payment of Undisputed Sums**

To the extent any dispute, controversy or claim concerns liability for or payment of Common Expenses allocated, apportioned and assessed to a Unit, the Owner of such Unit shall pay any portion of such Common Expenses that is not in dispute when due and before the ten (10) day grace expires for imposition of the interest and late charge set forth in subsection 8.13.2 above.

ARTICLE 20

NOTICES

Section 20.1 **General**

20.1.1 How and Where Given. All notices required or desired to be given hereunder, except for a notice of a meeting or a special meeting of Unit Owners under Section 4.4 above, shall be sent by hand delivery or overnight courier by a recognized national courier (with receipt of delivery) or registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

(a) (in the case of a notice to the Condominium Board) to:

The Board of Managers of
130 West 30th Street Condominium
130 West 30th Street
New York, New York 10001
Attention: President

with a copy sent simultaneously and in like or speedier manner to the Sponsor at its address given below (for so long as Sponsor owns a Unit) and to the then Managing Agent of the Building (if any);

(b) (in the case of a notice to a Unit Owner other than Sponsor) to the Unit Owner at the address of the Building;

(c) (in the case of a notice to Sponsor) to:

130 West 30th, LLC
c/o H. Justin Realty Services, LLC
115 West 30th Street, Suite 203
New York, NY 10001

20.1.2 Changes in Address. Each Party may substitute a different address or add an address by sending written notice of the change to the other Parties (i.e., the Condominium Board, Unit Owners, Permitted Mortgagees and Registered Tenants, as appropriate).

20.1.3 Date Effective and Notice Period. Unless otherwise expressly provided elsewhere in the Declaration or these By-Laws, each notice shall be effective only if and when given or sent as provided in subsection 20.1.1 above. Any specified period of time following the giving or sending of a notice shall begin on the day delivered by hand (unless it is not a business day or is actually received after business hours, in which case the period shall begin on the next business day), or the next business day after being sent by overnight courier or the second full business day after being deposited in a post office or mail depository maintained by the United States Postal Service. Notices mailed from outside the

United States or notices of a change of address or an additional address shall not be considered effective until actually received.

20.1.4 Refusal or Failure to Accept. A refusal or failure to accept a notice shall be deemed receipt of the notice and will not affect the effectiveness, validity or enforceability of the notice, nor excuse or justify delaying the performance of any duties.

Section 20.2 **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 Person or Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 21

FURTHER ASSURANCES

Section 21.1 **Provisions of Declaration Apply and Govern**

The provisions of Article 20 of the Declaration are applicable to, and govern, the terms, restrictions and requirements to be followed by the Condominium Board, each Unit Owner and all Persons who, or whose interests in the Property or a Unit, are subject to the Declaration, in connection with the cooperation by the aforementioned with each other in order to effectuate the purposes and provisions of the Condominium Documents, including the giving of Assurances, instruments and the limited power of attorney set forth respectively in Sections 20.4, 20.5 and 20.6 of the Declaration.

ARTICLE 22

AMENDMENTS TO BY-LAWS

Section 22.1 **Provisions of Declaration Apply and Govern**

The provisions of Article 22 of the Declaration are applicable to, and govern, the terms, restrictions, requirements, approvals and consents to be followed or obtained to amend these By-Laws.

ARTICLE 23

TERMINATION OF CONDOMINIUM

Section 23.1 **Provisions of Declaration Apply and Govern**

The provisions of Article 19 of the Declaration are applicable to, and govern, the terms, restrictions, requirements, approvals and consents to be followed or obtained to terminate condominium ownership of the Property. Accordingly, condominium ownership of the Property shall continue until the occurrence of any of the Condominium Termination Events, as defined and provided in Section 19.1 of the Declaration.

ARTICLE 24

GENERAL

Section 24.1 **Inspection of Documents**

Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as each of the same may be amended from time to time, shall be maintained at the office of the Condominium Board or its Managing Agent (if any) and shall be available for inspection by Unit Owners and their authorized representatives and agents in accordance with the provisions of subsection 14.7.3 above.

Section 24.2 **Changes and Waiver**

The provisions of Article 26 of the Declaration, as hereby modified to change all references therein to "this Declaration" (or similar words) to read instead "these By-Laws (including the Rules and Regulations annexed hereto)" or similar words, shall apply and govern with respect to changes and waivers of provisions of these By-Laws (including the Rules and Regulations annexed hereto).

Section 24.3 **Conflicts**

These By-Laws are intended to be consistent with, and to complement and supplement, the Declaration, and are also intended to be consistent with the Plan for the Property and all Amendments thereto filed prior to the First Closing of a Residential Unit, as well as the Condominium Act and all other applicable Laws. 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, the Plan or any said Amendment thereto, the Condominium Act or other applicable Law, the provision contained in the Declaration, the Plan and said Amendments thereto, the Condominium Act or other applicable Law, as the case may be, shall control.

Section 24.4 **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 be valid and enforced to the fullest extent permitted by Law, except as otherwise provided herein.

Section 24.5 **Successors and Assigns**

24.5.1 General. Subject and subordinate to Article 28 of the Declaration, the powers and/or duties of, and limitations imposed on, a Unit Owner as set forth in these By-Laws and the Declaration, shall inure to the benefit of, and shall be binding upon, such Owner's heirs, distributees, executors, administrators, legal representatives, successors and assigns.

24.5.2 Permitted First Mortgage Exception. Notwithstanding the foregoing, any Permitted First Mortgagee of a Unit or a purchaser at a foreclosure sale of a Permitted First Mortgage who succeeds to the interest of a Unit Owner, shall be responsible for only those duties of such Unit Owner accruing from and after the effective date of succession to title to such Unit and shall not be liable for any previously unpaid or past due Common Charges or Special Assessments accruing prior to the effective date that such successor succeeds to title.

24.5.3 Sponsor's/Commercial Owners' Rights. The Sponsor's/Commercial Owners' Rights under the Condominium Documents, the Plan, and the limitations, restrictions and requirements thereunder in connection therewith or otherwise applicable thereto, shall inure to and be binding upon a "Designee", an "Involuntary Transferee" and a "Successor in Interest", all as defined and more particularly provided in Article 28, Section 28.1 of the Declaration.

Section 24.6 **Table of Contents and Headings**

The Table of Contents and the Article, Section and subsection headings in these By-Laws are for convenience and reference only and do not, and shall not be construed to, affect the scope, meaning or interpretation of any provision of these By-Laws.

Section 24.7 **References**

The words "Article", "Section", "subsection", "provision", "paragraph" and "clause" or similar words refer to an Article, Section, subsection, provision, paragraph and clause of these By-Laws, unless otherwise expressly stated. Similarly, the words "hereof", "herein", "above", "below" and similar terms mean these By-Laws.

Section 24.8 **Grammar**

Any word or term in these By-Laws that is: used in the singular, shall include the plural and vice versa; or used in any gender shall include any other gender; or used in any tense (past, present or future), shall include any other tense, whenever required by the sense of these By-Laws and not contrary to the express context.

Section 24.9 **Insurance Trustee**

The Insurance Trustee shall be appointed by the Condominium Board and the fees and disbursements of any Insurance Trustee shall be paid by the Condominium Board as a Common Expense, which shall be specially allocated and assessed to those Unit Owners only for whose benefit the trust funds are held by the Insurance Trustee and apportioned among all such Unit Owners in the same proportion as said trust funds are held for the benefit of their respective accounts. The Insurance Trustee shall hold all proceeds as trust funds until paid over or applied as provided in the Declaration and these By-Laws.

Section 24.10 **Approvals or Consents**

Wherever in the Declaration or these By-Laws provision is made for any required Discretionary or Reasonable Approval or Consent of the Condominium Board, such approval or consent shall be sufficient and effective only if given in writing by the Board, or the Residential Board Members or Commercial Board Members on behalf of the Board (as applicable and as provided in these By-Laws or the Declaration), prior to implementing the transaction for which approval or consent is required or requested, and the approval or consent of the Unit Owners shall not be required, unless otherwise expressly provided in the Declaration or these By-Laws.

Section 24.11 **Incorporation of Declaration**

All provisions of the Declaration referred to in these By-Laws are hereby incorporated herein with the same force and effect as though set forth at length.

END OF BY-LAWS
The Rules and Regulations of 130 West 30th Street Condominium
start on the next page and are part of these By-Laws.

RULES AND REGULATIONS OF 130 West 30th Street Condominium

[Addendum to, and forming a part of, the By-Laws of such Condominium.]

1. No Unit Owner shall allow or suffer anything whatever to fall from the windows or Terrace or Planting Terrace of its Unit or sweep or throw from the Unit any dirt or other substance on or into any of the Common Elements (except for the use of waste lines in the manner for which intended and not prohibited under the Declaration and the By-Laws) or on to any yard, court or alley adjacent to the Building or the Immediately Adjacent Sidewalks to the Property.

2. No Unit Owner shall place a load upon any floor of its Unit (including any Terrace or Planting Terrace) exceeding the floor load per square foot area that it was designed to carry and that is allowed by applicable Law. All Equipment (including treadmills, clothes washers and objects that generate noise or vibration) shall be placed and maintained by each Unit Owner, at its sole Cost and Expense, in settings sufficient to absorb and prevent vibration and unreasonable noise and annoyance.

3. No Unit Owner shall Alter, damage, impair, destroy or otherwise adversely and materially affect the Common Elements or (if established) the Individual Limited Common Element appurtenant another Unit without obtaining the express prior written Discretionary Approval or Consent of the Condominium Board or the Owner of such other Unit, respectively, except as expressly permitted herein or in the Declaration or the By-Laws. A Unit Owner shall give the Condominium Board or another Unit Owner prompt notice of any Repairs that are needed in or to the Common Elements or (if established) the Individual Limited Common Elements appurtenant such other Owner's Unit, respectively, after such Unit Owner has actual notice thereof.

4. Water closets, sinks and other plumbing apparatus in the Building shall not be used for any purpose other than those for which they were designed or constructed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water closets, sinks or other apparatus in a Unit shall be promptly Repaired and paid for by the Owner of such Unit.

5. Each Sold Unit Owner shall submit for inspection by the Condominium Board any business permits or licenses required for the lawful conduct of any home occupation permitted to be carried on in such Owner's Sold Unit.

6. Any amounts assessed as a Common Expense against a Unit in addition to the regular monthly Common Charges due and payable as provided in the By-Laws shall be paid to the Condominium Board upon demand or if not demanded, then with the next monthly payment of Common Charges due and payable as provided in the By-Laws.

7. No servant or employee of the Condominium Board shall be sent out of the Building by any Unit Owner at any time for any purpose.

8. Complaints by a Unit Owner regarding services or Operation of the Building shall be made in writing to the Condominium Board or its Managing Agent (if any).

9. The fiscal year of the Condominium Association shall be a calendar year beginning on the first day of January or such other fiscal year as the Condominium Board may establish from time to time.

10. No vehicle belonging to an Owner, tenant or occupant of a Unit or to Agents, Employees or Contractors of such Owner, tenant or occupant, shall be parked in such manner as to impede or prevent ready access to or from any entrance or exit to or from another Unit or the Building.

11. A Unit Owner may apply to the Condominium Board for a temporary waiver of one or more of the Rules and Regulations. Such temporary waiver may be granted by the Board in its sole discretion, for good cause shown.

12. At the discretion of the Condominium Board, any consent or approval given under these Rules and Regulations may be made conditional and may also be amended at any time. However, if expressly provided herein or elsewhere in the Condominium Documents that the Reasonable Approval or Consent is required, then such approval or consent may not be unreasonably conditioned, delayed, withheld or denied.

13. The yards, courts and alleys (if any and if part of the Common Elements) adjacent to the Building, the Immediately Adjacent Sidewalks to the Property, the public or common areas of the Common Elements (including the lobby entrances, passageways, public halls, vestibules, corridors and exit stairs) shall not be obstructed or encumbered by refuse or otherwise used for any purpose other than in connection with temporary loading or unloading of cartons, furniture, Equipment, materials, supplies and other items, or for ingress to and egress from the Units or (as to the yard and the Immediately Adjacent Sidewalks to a Commercial Unit) the Use and Enjoyment of such Commercial Unit (except as otherwise provided in the By-Laws and the Declaration).

14. No velocipedes, bicycles, scooters, baby carriages or similar vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

15. All service and delivery persons going to or from Residential Units will be required to use the entrance of the Building designated by the Condominium Board for such purposes.

16. Furniture, furnishings, cartons, trunks, heavy baggage and other heavy or bulky personal property of Owners, tenants or occupants of Residential Units shall be taken in or out of the Building only through the entrance and exit as designated by the Condominium Board or the Managing Agent for such purpose. The Board shall determine the days and hours for such deliveries or removal through the 130 West 30th Street Public Areas, subject and subordinate to the rights of Sponsor to make all such determinations with respect to the tenants and occupants of its Unsold Residential Units.

17. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored by a Unit Owner in any of the halls or on any of the public stairs, or their landings, of the Building, nor shall any public stairs or fire egress thereof be obstructed in any manner.

18. Any storage space in the Residential Limited Common Elements shall be used only for the storage of trunks, bags, suitcases and packing cases, all of which shall be empty, and for the storage of such Equipment, supplies, material and other articles, and for such other purposes allowed by Law, as the Condominium Board, in its sole discretion, may determine. The foregoing is not applicable to the Storage Units, which may be used for any and all items of non-inflammable personal effects or belongings in accordance and compliance with the Law. Supervision, management and control of the moving in, storing and removal of an Owner's property from such storage space in the Residential Limited Common Elements is vested in the Condominium Board. The use of storage space and Storage Units shall be at the sole risk of the respective Owners or other person using the same, and the Condominium Board, its agents, and the Managing Agent shall not be liable for any injury to person, loss by theft or otherwise, or damage to property, whether due to the negligence of the Condominium Board, its agents, the Managing Agent, or otherwise.

19. Each Unit Owner shall comply with all applicable Laws (including municipal, state and federal laws and the regulations, codes and other requirements of Governmental Authorities having

jurisdiction, collectively called "**Environmental Laws**") regarding the disposal by a Unit Owner or the tenants or occupants of an Owner's Unit of trash, refuse or garbage (collectively called "**Trash**"). In furtherance thereof, each Residential Unit Owner shall comply with all Environmental Laws requiring Trash to be separated into "recyclable" and "non-recyclable" materials. The Condominium Board may designate from time to time types of materials which must be separated for recycling, the types of containers or binding to be used by a Residential Unit Owner for disposal of designated recyclable or non-recyclable materials and the locations where recyclable or non-recyclable materials shall be deposited. Each Residential Unit Owner shall comply with all other rules and regulations the Condominium Board may establish from time to time for disposal and recycling of Trash. Any Costs and Expenses incurred by the Condominium Board as a result of a Residential Unit Owner's violation of this rule or the enforcement of this rule against such Residential Unit Owner (including, legal fees and disbursements, litigation expenses and fines and penalties imposed on the Condominium Board by any Governmental Authority having jurisdiction) shall be payable, promptly following demand, by said Residential Unit Owner as part of the Owner's Common Charges. Notwithstanding the foregoing, Sponsor or other Unsold Unit Owner shall not be obligated to reimburse the Condominium Board for any Costs and Expenses incurred by the Board as a result of a violation of this rule by a tenant or occupant of an Unsold Unit or the enforcement of this rule against Sponsor or other Unsold Unit Owners by reason of said violation.

20. There shall be no playing or lounging in the 130 West 30th Street Public Areas, public stairs or other public spaces, except in recreational areas or other areas (if any) designated as such in the Declaration or by the Condominium Board.

21. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate portions of the Common Elements, if any, devoted to storage, recreation or service purposes in the Building.

22. Nothing shall be done or kept in any Residential Unit or on any Terrace or Planting Terrace, or in or on the Common Elements that increases or would with reasonable likelihood increase the rate of insurance of the Building, or the contents thereof, without obtaining the prior written Discretionary Approval or Consent of the Condominium Board, unless (in the case of a Residential Unit or its appurtenant Terrace or Planting Terrace) the Owner of such Residential Unit pays the increase in premium caused by such rate increase. No Residential Unit Owner shall permit or suffer anything to be done or kept in any Residential Unit or on any Terrace or Planting Terrace, or in or on the Common Elements, that would with reasonable likelihood result in the cancellation, or results in a notice of cancellation, of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Owner or tenant of a Residential Unit or such Owner's or tenant's family members, agents, servants, employees, licensees or visitors shall, at any time, bring into or keep in such Owner's or tenant's Residential Unit or its Terrace or Planting Terrace any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit or its Terrace or Planting Terrace.

23. There shall be no barbecuing in or on the Residential Units, Terraces or Planting Terrace or Common Elements.

24. Subject to obtaining the prior written Discretion any Approvals or Consents of both the Condominium Board and (during only the Sponsor Veto Control Period and until the issuance of the aforesaid permanent Certificate of Occupancy of the Building) Sponsor, a Terrace or Planting Terrace appurtenant to a Residential Unit may be Decorated with only free-standing, removable lined planters on supports, and with respect to only a Terrace (but not a Planting Terrace), trees, furniture and wood

decking meeting the following specifications and requirements. Plantings shall be contained in removable boxes of wood, lined with metal or other materials impervious to dampness and standing on supports at least two (2) inches from the Terrace or Planting Terrace surface, and if adjoining a wall, at least three (3) inches from such wall. The wood boxes shall have suitable weep holes to draw off water and only light weight soil shall be used. No trees taller than nine (9) feet shall be allowed. The Owner of such Residential Unit, at such Owner's sole Cost and Expense, shall: (a) Maintain all planting and tree containers in clean, good and sanitary condition, and all weep holes and drainage tiles in good Operating condition, all in accordance with the Building's Maintenance Standard; and (b) properly prune all plantings and trees so as to prevent them from climbing or hanging over the parapets or other Roof Structures or otherwise outside the borders of the Terrace or Planting Terrace or encroaching on any other Unit. No Terrace or Planting Terrace shall be enclosed, painted, furnished with furniture or horticulture or otherwise Decorated or Altered, and no Terrace Object shall be constructed, installed or placed thereon or therein, without obtaining the prior written Discretionary Approvals or Consents in each instance of both the Condominium Board and (during only the Sponsor Veto Control Period and until the issuance of said permanent Certificate of Occupancy of the Building) Sponsor. A Planting Terrace is only an ornamental or decorative feature of the Building Walls and may not be used, entered or walked upon, except in connection with any required or needed Repairs or Maintenance, or any permitted plantings. The Owner of the applicable Residential Unit shall be liable for any loss or damage to the Roof and the Roof Structures or other portions of the Building caused by any Terrace Objects on such Owner's Terrace or Planting Terrace or any violation of the foregoing requirements and obligations. The Condominium Board and Sponsor (if the Board fails to act) shall have the right and power, upon giving notice and an opportunity to cure, or without notice under certain circumstances, to enter upon the Terrace or Planting Terrace and summarily abate, remove and cure the violation (including removal of any Terrace Objects not in compliance with this Rule and Regulation) at the Cost and Expense of the applicable Unit Owner, as provided in Article 17 of the By-Laws. All Costs and Expenses incurred by the Board in connection with such violation and to collect same shall constitute part of the Common Charges of such Unit as provided in Section 17.2 of the By-Laws. The Condominium Board and its agents (including the Managing Agent) and employees (including the superintendent) shall have the right, upon reasonable notice and at reasonable times, to inspect the Terraces and Planting Terrace to assure compliance with this Rule and Regulation and to access the Terraces and Planting Terrace to enforce compliance with the foregoing.

25. No Sold Residential Unit Owner shall make, cause, or permit or suffer any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from such Owner's Unit or (if established) its appurtenant Individual Limited Common Element or permit or suffer anything to be done therein that will unreasonably interfere with the rights, comforts, or conveniences of the Owners, tenants or occupants of other Residential Units. No Owner, tenant or occupant of a Sold Residential Unit shall play, permit or suffer to be played any musical instrument, or shall operate, permit or suffer to be operated a phonograph, sound system, radio, television set, or other loudspeaker device in such Owner's Unit 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 Owner, tenant or occupant of a Sold Residential Unit practice, permit or suffer to be practiced, either vocal or instrumental music between the hours of 10:00 p.m. and the following 9:00 a.m. No construction, Repair Work or other installation involving noise shall be conducted in any Sold Residential Unit or (if established) its appurtenant Individual Limited Common Element except on business days and only between the hours of 8:00 a.m. and 5:00 p.m., unless such construction or Repair Work is necessitated by an emergency.

26. No bird, reptile or other animal shall be permitted, raised, bred, kept, or harbored in Sold Residential Units, other than domestic dogs and domestic cats (not to exceed four (4) in the aggregate), 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. No Sold Residential Unit shall be used for the breeding of animals or pets for commercial purposes. No dangerous or poisonous reptiles, insects or other animals shall be kept in any Sold Residential Unit. No pigeons or other birds or animals shall be fed by Owners, tenants or occupants of Sold Residential Units from the window sills, Terraces, or Planting Terrace, or from public portions of the Building, or on the yards, courts, alleys, sidewalk or street adjacent to the Building.

27. No group tour or exhibition of any Sold Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Sold Residential Unit, without obtaining the prior written Discretionary Approval or Consent of the Condominium Board or the Managing Agent in each instance.

28. No clients or other invitees of Sold Residential Units shall be permitted to wait in any lobby, public hallway or vestibule of the Building.

29. Unless expressly authorized by the Condominium Board in each instance, not less than eighty (80%) percent of the floor area of each Sold Residential Unit (excepting only the kitchen, pantry (if any), bathroom(s), powder room and closets) must be covered with rugs, carpeting or equally effective noise reducing material.

30. No window guards or other window Decorations shall be used in or about any Sold Residential Unit, except such as shall have been Reasonably Approved or Consented to in writing by the Condominium Board or the Managing Agent. Each Residential Unit Owner whose Residential Unit is occupied by a child 10 years old or younger is required to install window guards at such Owner's sole expense. The design and method of installation must be approved in advance by the Condominium Board or the Managing Agent, and Sponsor (during only the Sponsor Veto Control Period and until the issuance of said permanent Certificate of Occupancy of the Building). In no event, however, shall any exterior glass surface of any windows or skylight of a Sold Residential Unit be colored or painted.

31. No ventilator or air conditioning device shall be installed in any Sold Residential Unit without obtaining the prior written Reasonable Approvals or Consents of the Condominium Board and Sponsor (during only the Sponsor Veto Control Period and until the issuance of said permanent Certificate of Occupancy of the Building), other than ventilating and air conditioning Equipment to be installed pursuant to Sponsor's Plans and Specifications or approved by Sponsor under the Purchase and Sale Agreement for the Unit or an addendum thereto.

32. No Sold Residential Unit Owner shall attach or hang any radio or television aerial, antenna or satellite dish to or from the exterior of such Owner's Sold Residential Unit, or the Sold Unit's Terrace or Planting Terrace, or the Building Walls. No clothes, sheets, rugs, blankets, laundry, or other articles of any kind shall be hung on or out of, or shaken from, a Unit or its appurtenant Terrace or Planting Terrace.

33. 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 of a Sold Residential Unit or its appurtenant Terrace or Planting Terrace, or other part of the Building, by a Sold Residential Unit Owner except such as are permitted (if any) pursuant to the terms of the Declaration and/or the By-Laws or as to which the prior written Discretionary Approvals or Consents of Sponsor (during only the Sponsor Veto Control Period and until the issuance of said permanent Certificate of Occupancy) and the Condominium Board have been given. Nothing shall be projected from any window of a Sold Residential Unit without obtaining similar prior written Discretionary Approvals or Consents of Sponsor (during only the Sponsor Veto Control Period and until the issuance of said permanent Certificate of Occupancy) and the Condominium Board.

34. All radio, television, or other electrical equipment of any kind or nature installed or used in each Residential Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the Governmental 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.

35. Each Sold Residential Unit Owner shall keep the Owner's Unit and its appurtenant Terrace or Planting Terrace in a good state of preservation, condition, Repair and cleanliness in accordance with the Building's Maintenance Standard and the terms of the Declaration and By- Laws.

36. The agents of the Condominium Board or the Managing Agent, and any contractor or worker authorized by the Condominium Board or the Managing Agent, may enter any room or area of the Common Elements or Units or a Residential Unit's Terrace or Planting Terrace at any reasonable hour of the day, on at least one (1) calendar day's prior oral or written notice to the Unit Owner, for the purpose of inspecting such Unit, or its Terrace or Planting Terrace 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, occupancy or Operation of such Unit for its permitted purposes.

37. The Condominium Board or the Building's superintendent or the Managing Agent, upon request, shall be given a pass-key to each Sold Residential Unit by its Owner. If any lock of a Sold Residential Unit is altered or a new lock is installed, the Condominium Board or the Building's superintendent or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Sold Residential Unit Owner is not personally present to open and permit an entry to such Owner's Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and such Unit Owner has not furnished a key to the Condominium Board or the Building's superintendent or the Managing Agent, then the Condominium Board or the Building's superintendent or Managing Agent or their respective agents or employees (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent), upon giving reasonable advance oral or written notice to such Unit Owner (except no advance notice shall be required in the case of an emergency) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

38. If any key or keys of an Owner or tenant of a Unit, or any family member thereof, or any agent, servant, employee, licensee or visitor of such Owner or tenant, are entrusted by such Person to an employee of the Condominium or to the Building's superintendent or to the Managing Agent, whether for such Person's Unit, vehicle, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner or tenant, and neither the Condominium Board (or its agents and employees, including the Managing Agent and its employees) nor other Unit Owners (or their respective Related Parties) shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

39. Owners and tenants of Sold Residential Units 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 Roofs of the Building enclosing the Residential Space or the General Common Elements, other than the Terrace appurtenant to a Residential Unit in accordance and compliance with the Declaration, By-Laws, and these Rules and Regulations.

END OF RULES AND REGULATIONS

DOCUMENT 8A

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO PART 20, SECTION 20.4(b) OF THE REGULATIONS OF THE DEPARTMENT OF LAW PROMULGATED UNDER ARTICLE 23-A OF THE GENERAL BUSINESS LAW, AS AMENDED

TO:	New York State Department of Law Real Estate Financing Section Investment Protection Bureau	
FROM	**"Sponsor":**	130 West 30th, LLC, having an office at 115 West 30th Street, Suite 203, New York, New York 10001
		and
	"Principal":	The undersigned individual signing in his capacity as sole principal of Sponsor
RE:	**"Property":**	130 West 30th Street New York, New York 10001
DATE:	January 24, 2003	

We are the Sponsor and the Principal of the Sponsor of the condominium offering Plan (**"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; and

(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:

130 West 30th, LLC
By: H.J. Development, LLC,
Managing Member

By: _____
Henry J. Justin, as Member

Sworn to before me this 24
day of January, 2003

_____
Notary Public

MARILYN VAUGHN
Notary Public, State Of New York
No. 01VA5052781
Qualified In Nassau County
Commission Expires Dec. 4, 2005

PRINCIPAL OF SPONSOR:

_____
Henry J. Justin

Sworn to before me this 24
day of January, 2003

_____
Notary Public

MARILYN VAUGHN
Notary Public, State Of New York
No. 01VA5052781
Qualified In Nassau County
Commission Expires Dec. 4, 2005

CERIFICATION OF SPONSOR'S ARCHITECT PURSUANT TO PART 20 OF TITLE 13 NYCRR OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

New York State Department of Law
120 Broadway
23rd Floor
New York, New York 10271

Att.: Real Estate Financing Section of Investment Protection Bureau

Re: Condominium Offering Plan (the "Offering Plan")
130 West 30th Street Condominium
130 West 30th Street
New York, New York 10001 (the "Property")

The sponsor of the 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 Premises during the months of July, August, October, and November, 2002, and examined architectural plans A-01 through A-18 (and HC 1 and 2 describing accessibility requirements), dated 01/08/03 prepared by CMA Design Studio P.C. (Carballude, Morris & Associates) which delineate the proposed alteration of the Building to residential use, as well as tax lot certification drawings T-0 through T-25 dated 9/16/02 and revised on 12/23/02. We also reviewed the following mechanical/electric engineering plans and specifications prepared by the office of Stanislav Slutsky, mechanical engineer: H101 through H114 (heating, ventilation, air conditioning dated 01/13/03), H201 through H208 (HVAC schedules, diagrams, and details dated 01/13/03), P101 through P114 (plumbing floor plans dated 01/13/03), P201 through P212 (plumbing riser diagrams, schedules, and details), FP 101 through FP113 (fire protection drawings dated 01/13/03), FP 201 through FP 203 (fire protection riser, diagram, and details dated 01/13/03), FA1 and FA2 (electric sprinkler fire alarm dated 01/08/03), E101 through E113 (electric plans dated 12/24/02), and E201 & E202 (electric panel schedule dated 12/24/02). A Phase 1 environmental site assessment prepared by IVI Environmental, Inc., environmental engineers dated August 28, 2001 was also consulted as well as an environmental Assessment statement dated June 10, 2002 by Philip Habib and Associates. A project manual that describes the general scope of work for rehabilitating the facades of the Building (not dated or attributed) was also reviewed.

These plans and documents were reviewed for informational purposes but were not evaluated as to the safety, adequacy, code or zoning compliance of the architecture, structural, electrical, mechanical engineering or actual construction. We used this information to prepare the Report dated April 1, 2003 a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

The undersigned is a registered architect in the State in which the Premises are 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, and conducted the visual inspection referred to above, with due diligence in order to form a basis for this certification. We certify that the Report and all documents prepared by us disclose all the material facts which were then discernible from a visual inspection of the Property. 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 and/or construction provided that renovation and/or 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 the renovation and/or construction, provided that renovation and/or construction is in accordance with the Plans and Specifications that we 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;

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.

It is to be understood that all aspects of the physical condition of the Property cannot be determined by a visual inspection and that all statements contained in this certification are premised on and limited to such visual inspection.

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.

K Square Design, Inc., Architects

By: Marc Kemeny, R.A.
Sworn to before me
this 1st day of May, 2003

Notary Public

MICHELLE K. BRANDEIS
Notary Public, State of New York
No. 01BR5070852
Qualified in Nassau County
Commission Expires December 23, 2006

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DOCUMENT 8C

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET PURSUANT TO PART 20, SECTION 20.4 (d) OF THE REGULATIONS OF THE DEPARTMENT OF LAW PROMULGATED UNDER ARTICLE 23-A OF THE GENERAL BUSINESS LAW, AS AMENDED

TO: New York State Department of Law
Real Estate Financing Section
Investment Protection Bureau

FROM: PLATINUM PROPERTIES OF NEW YORK LTD.

RE: **"Property":** 130 West 30th Street
New York, New York 10001

"Sponsor": 130 West 30th, LLC

"Offering Plan": The Condominium Offering Plan for the captioned Property

DATE: January 8, 2003

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.

We are a licensed real estate broker and our principal, directly or in association with other New York City management firms, has been engaged in the business of managing residential properties in the New York City and adjacent areas, including cooperatives and condominiums, for more than 20 years. This includes management of more than 10,000 residential units in over 20 properties for varying periods of approximately one to eight years.

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 such Schedule and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our and our principal's experience in managing residential buildings or apartments.

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 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; and

(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. We note that we will receive a fee for our services rendered in connection with this certification and other opinions we are giving for inclusion in the Offering Plan.

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 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.

PLATINUM PROPERTIES OF NEW YORK LTD.

By:
Signature:
Name: Elizabeth A. Hurley
Title: President

Sworn to before me this
8th day of January, 2003

Notary Public

Marcelle S Balcombe
Notary Public-State of New York
No. 02BA5041393
Qualified in Kings County
Commission Expires May 8 2006

DOCUMENT 8D

CERTIFICATION BY EXPERT ON ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNER PURSUANT TO PART 20, SECTION 20.4(e) OF THE REGULATIONS OF THE DEPARTMENT OF LAW PROMULGATED UNDER ARTICLE 23-A OF THE GENERAL BUSINESS LAW, AS AMENDED

TO: New York State Department of Law
Real Estate Financing Section
Investment Protection Bureau

FROM: PLATINUM PROPERTIES OF NEW YORK LTD.

RE: **"Property":** 130 West 30th Street
New York, New York 10001

"Sponsor": 130 West 30th ,LLC

"Offering Plan": The Condominium Offering Plan for the captioned Property

DATE: January 8, 2003

The Sponsor of the Condominium Offering Plan for the captioned Property retained our firm to prepare Schedule B which includes projections of common charges payable by the owners of the commercial units.

We are a licensed real estate broker and our principal, directly or in association with other New York City management firms, has been engaged in the business of managing residential properties in the New York City and adjacent areas, including cooperatives and condominiums, for more than 20 years. This includes management of more than 10,000 residential units in over 20 properties for varying periods of approximately one to eight years.

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 on the commercial units and investigated the facts set forth in such Schedule and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our and our principal's experience in managing residential buildings or apartments.

We certify that the projections in Schedule B for common charges payable by the owners 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 special or exclusive use or availability or exclusive control of particular common areas.

We certify the estimates in Schedule B for the common charges payable by the owners of the commercial units:

(i) set forth in detail the projected common charge for the commercial units for the 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 owners of the commercial units;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a 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; and

(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 representation or statement made.

We further certify that we are not owned or controlled by the Sponsor. We note that we will receive a fee for our services rendered in connection with this certification and other opinions we are giving for inclusion in the Offering Plan.

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 attributable to the commercial units 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.

PLATINUM PROPERTIES OF NEW YORK LTD.

By:
Signature:
Name: Elizabeth A. Hurley
Title: President

Sworn to before me this
6th day of January, 2003

Notary Public

Marcelle S Balcombe
Notary Public-State of New York
No. 02BA6041393
Qualified in Kings County
Commission Expires May 8 2006

DOCUMENT 9

OPINION ON MARKET RATE MANAGEMENT FEE

TO: The New York State Department of Law
Real Estate Financing Section
Investment Protection Bureau

FROM: Platinum Property Of New York Ltd.

RE: **"Property":** 130 West 30th Street
New York, New York 10001

"Sponsor": 130 West 30th, LLC

"Offering Plan": The Condominium Offering Plan for the captioned Property

DATE: January 8, 2003

The Sponsor of the Condominium Offering Plan for the captioned Property has retained our firm to render the subject opinion on a current market rate management fee for the Property. The definitions in the Condominium Offering Plan apply to the words in this opinion which are not expressly defined herein.

A. **Opinion On Current Market Rate Management Fee**

We have prepared Schedule B containing projections of income and expenses for first year of condominium operation of the Property and have read the summary of the proposed management agreement set forth in the Offering Plan as well as the proposed **"Management Agreement"** to be given by the Condominium Board to H. Justin Realty Services LLC.

In our opinion, the current market rate fee to manage the Property and to perform the duties and services for the term set forth in the proposed Management Agreement is approximately $40,000.00 a year, which is in accordance with the proposed management fee set forth in said Schedule B.

B. **Experience**

Our above opinion is based, and given in reliance, on our knowledge of current market conditions and on our experience and the experience of our principal in the real estate brokerage and residential management businesses. We are a licensed real estate broker and our principal, directly or in association with other New York City management firms, has been engaged in the business of managing residential properties in the New York City and adjacent areas, including cooperatives and condominiums, for more than 20 years. This includes management of more

than 10,000 residential units in over 20 properties for varying periods of approximately one to eight years

We are not owned or controlled by, and have no financial or beneficial interest in, nor any family, employment or other business relationship with, Sponsor or Sponsor's principal, other than our fee for services rendered in connection with this opinion and related opinions we are giving for inclusion in the Offering Plan.

We understand that this letter will be reproduced in the Condominium Offering Plan and we hereby consent to such use.

Very truly yours,

Platinum Properties Of New York Ltd.

By: Elizabeth A. Hurley, President