

THIS PLAN HAS BEEN AMENDED. SEE INSIDE COVER.

CONDOMINIUM OFFERING PLAN
FOR

altair20

15 WEST 20TH STREET
NEW YORK, NEW YORK 10011

TOTAL PURCHASE PRICE FOR 17
RESIDENTIAL UNITS: $44,850,000.00

The Condominium will have 17 Residential Units and 1 Commercial Unit. The 17 Residential Units are being offered for sale hereby. The Commercial Unit is not being offered for sale at this time.

SPONSOR

STRATEGIC CHELSEA LLC
800 THIRD AVENUE
NEW YORK, NEW YORK 10022
(212) 712-6000

SELLING AGENT

CORCORAN GROUP MARKETING
888 SEVENTH AVENUE, 39TH FLOOR
NEW YORK, NEW YORK 10106
(212) 634-6500

The term of the initial offering of this Plan commenced on August 8, 2005 and expires on August 7, 2006 unless the said date is extended in a duly filed amendment.

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS THIS PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH THE MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO THE SPONSOR. PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE CONDOMINIUM BOARD UNDER THE TERMS OF THE PLAN. (SEE SPECIAL RISK SECTION OF THE PLAN)

THIS OFFERING PLAN IS SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS 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.

SEE PAGE v FOR SPECIAL RISKS TO PURCHASERS.

SECOND AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

ALTAIR 20
15 WEST 20th STREET
NEW YORK, NEW YORK 10011

Dated: April 28, 2006

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A Schedule of Purchase Prices

SECOND AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
ALTAIR 20

INTRODUCTION

This Second Amendment modifies and supplements the terms of the Condominium Offering Plan for Altair 20, 15 West 20th Street, New York, New York 10011, dated August 8, 2005 and the First Amendment thereto dated April 24, 2006 ("the Plan") and should be incorporated into and read in conjunction with the Plan.

The terms of this Second Amendment are as follows:

1. REVISED PURCHASE PRICES

Sponsor hereby revises the Purchase Prices for certain Residential Units as set forth on the "Schedule of Purchase Prices" annexed hereto as Exhibit A.

2. INCORPORATION OF THE PLAN

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

3. DEFINITIONS

All terms used in this Amendment not otherwise defined herein shall have the same meanings ascribed to them in the Plan.

4. NO MATERIAL CHANGES

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

SPONSOR:

STRATEGIC CHELSEA LLC

EXHIBIT A

Schedule of Purchase Prices

Schedule of Purchase Prices

Unit	Second Amendment Price
2A	$ 2,225,000
2B	$ 2,325,000
3B	$ 2,375,000
4B	$ 2,425,000
5B	$ 2,475,000
6B	$ 2,525,000
7A	$ 2,525,000
7B	$ 2,650,000
8A	$ 2,600,000
8B	$ 2,750,000
9A	$ 2,675,000
9B	$ 2,825,000

FIRST AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

ALTAIR 20
15 WEST 20th STREET
NEW YORK, NEW YORK 10011

Dated: April 24, 2006

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FIRST AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
ALTAIR 20

INTRODUCTION

This First Amendment modifies and supplements the terms of the Condominium Offering Plan for Altair 20, 15 West 20th Street, New York, New York 10011, dated August 8, 2005 ("the Plan") and should be incorporated into and read in conjunction with the Plan.

The terms of this First Amendment are as follows:

1. REVISED FIRST YEAR OF CONDOMINIUM OPERATION

Annexed hereto as Exhibit A is a copy of the revised Schedule B, "Projected Budget for the First Year of Condominium Operation" for the period December 1, 2006 through November 30, 2007.

Sponsor's expert has reviewed the updated Budget and has provided Sponsor with a certification of adequacy thereof. Annexed hereto as Exhibit B is the updated Certification of Sponsor's Expert Concerning the Adequacy of the Budget.

2. REAL ESTATE TAX OPINION AND SCHEDULE A

Annexed hereto as Exhibit C is an updated Real Estate Tax Opinion dated February 24, 2006, prepared by Joel R. Marcus (the "Marcus Letter") regarding taxes for the first year of condominium operation based upon the tentative assessment for the Property recently issued by the Department of Finance of the City of New York. Purchasers are also referred to the prior Real Estate Tax Opinion dated May 13, 2005, prepared by Jerome Mazursky (the "Mazursky Letter") set forth in Part I of the Plan. Annexed hereto as Exhibit D is a letter dated April ___, 2006, prepared by Joel R. Marcus comparing the Marcus Letter and the Mazursky Letter

SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.

Annexed hereto as Exhibit E is a revised Schedule A, "Purchase Prices and Related Information" and the footnotes thereto reflecting updated common charges and real estate taxes for each Unit and clarifying the method of measurement of the Units.

3. DOORMAN/CONCIERGE

Annexed hereto as Exhibit B is a revised Budget for the First Year of Condominium Operation which provides that the building staff will consist of two (2) doorman/concierges who will work an eight (8) hour shift seven days a week. The building staff will also consist of a part-time, visiting non-union superintendent. As more particularly set forth in the Plan, Sponsor had reserved the right to not provide all of the budgeted concierge and doorman services until fifty percent (50%) or more of the Residential Units in the Building were sold. Sponsor hereby amends the Plan to provide that all of the Building Staff described in this paragraph will be in place as of the First Closing. All references in the Plan which are inconsistent with the scope or timing of the employment of building staff as set forth above, including Paragraph 24 of the Special Risks Section, are hereby deemed deleted in their entirety.

4. REVISED AGREEMENT

Sponsor hereby modifies the Agreement in Part II of the Plan by adding a new last paragraph entitled "Option":

"The parties acknowledge that, for federal income tax purposes only, this Agreement shall be deemed an option."

Purchasers should note that the Agreement pursuant to which they will purchase the Unit is sometimes referred to as an "option agreement." This characterization of the Agreement as an option agreement is consistent with Sponsor's intention to treat the Agreement for purposes of applicable provisions of the Internal Revenue Code as similar to an option. If this characterization is respected, the Sponsor will be able to account for the sale of the Units for federal income tax purposes in the same manner as it would be able to account for such sale if the Unit had constituted a separate townhouse or other separate dwelling. Purchaser is not receiving any "options" and if the Purchaser does not close on the Agreement, Purchaser will forfeit Purchaser's Deposit as liquidated damages. Purchasers should note that Sponsor's characterization of the Agreement is not binding on the Internal Revenue Service ("IRS") which may challenge such characterization. However, even if the IRS was to successfully challenge Sponsor's tax characterization of the Agreement and the Deposit, as described above, there will be no adverse tax or other consequences to the Purchaser. Sponsor **cannot** compel specific performance as a remedy against the Purchaser. Sponsor is bound, however, to sell to a Purchaser that elects to perform all of Purchaser's obligations under the Agreement and specific performance is a remedy available to Purchaser in the event of a Sponsor default under the Agreement.

5. RIGHT OF RESCISSION

Purchasers who have entered into an Agreement for a Unit prior to the presentation date of this Amendment (the "Presentation Date") shall have the right for a period of fifteen (15) days from the Presentation Date, to rescind their respective Purchase Agreements,

by either (i) personally delivering a rescission notice signed by Purchaser in the form annexed hereto as Exhibit F (the "Rescission Notice") to Sponsor or Selling Agent within the fifteen (15) day period or (ii) by mailing the Rescission Notice to Sponsor or the Selling Agent and having the mailing postmarked within the fifteen (15) day period. A copy of the Rescission Notice must also be sent to Stroock & Stroock & Lavan, 180 Maiden Lane, New York, New York 10038, Attention: Michel Evanusa, Esq.

6. INCORPORATION OF THE PLAN

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

7. DEFINITIONS

All terms used in this Amendment not otherwise defined herein shall have the same meanings ascribed to them in the Plan.

8. NO MATERIAL CHANGES

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

9. EFFECTIVE PERIOD FOR USING THE PLAN IS EXTENDED

The Plan, as modified and supplemented hereby, may not be used after the later of twelve (12) months from the Filing Date of the Plan or six (6) months following the Filing Date of this Amendment, unless the Plan is further extended or amended.

SPONSOR:

STRATEGIC CHELSEA LLC

EXHIBIT A

Schedule B, Budget for the First Year of Operation

SCHEDULE "B"
15 West 20th Street
Projected Budget for the First Full Year of Condominium Operation
December 1, 2006 – November 30, 2007

PROJECTED INCOME:	
Common Charges (1).....	
Residential Unit Common Charges.....	$ 388,774
Commercial Unit Common Charges.....	$ 11,022
TOTAL PROJECTED INCOME.....	$ 399,796
PROJECTED EXPENSES:	
Salary, Wages, Payroll Taxes & Benefits (2).....	$ 95,904
Heat and Hot Water (3).....	$ 73,200
Cooking Gas (4).....	$ 10,204
Electricity (5).....	$ 52,032
Water & Sewer (6).....	$ 15,556
Repairs & Maintenance (7).....	$ 20,000
Services & Supplies (8).....	$ 57,200
Insurance (9).....	$ 21,700
Management Fee (10).....	$ 25,000
Legal & Auditing Fees (11).....	$ 11,000
Administration (12).....	$ 8,000
Contingency (13).....	$ 10,000
TOTAL PROJECTED EXPENSES (14).....	$ 399,796

The accompanying notes are an integral part of this Schedule B and should be read in conjunction herewith

Notes to Schedule B

(1) COMMON CHARGES - (Budget - $399,796)

The estimated Common Charges to be collected from Unit Owners during the first year of Condominium operation are based upon the assumption that the first year of Condominium operation will be the twelve months commencing December 1, 2006. The actual first year of operation may be earlier or later.

The allocation for the General Common Expenses to be borne by the Commercial Unit have been allocated on the basis of the Commercial Unit's respective Percentage of Common Interest, 9.2009%.

	Total	Residential Unit	Commercial Unit
Projected Income			
Common Charges (1)	$ 399,796		
Residential Unit Common Charges		$ 388,774	
Commercial Unit Common Charges			$ 11,022
Total Projected Income	$ 399,796	$ 388,774	$ 11,022
Projected Expenses			
Salary, Wages, Payroll Taxes and Benefits (2)	$ 95,904	$ 95,500	$ 404
Gas Heat, & Hot Water (3)	$ 73,200	$ 73,200	$ —
Cooking Gas (4)	$ 10,204	$ 10,204	$ —
Electricity (5)	$ 52,032	$ 51,553	$ 479
Water & Sewer (6)	$ 15,556	$ 15,556	$ —
Repairs & Maintenance (7)	$ 20,000	$ 18,160	$ 1,840
Services & Supplies (8)	$ 57,200	$ 55,866	$ 1,334
Insurance (9)	$ 21,700	$ 19,703	$ 1,997
Management Fee (10)	$ 25,000	$ 22,700	$ 2,300
Legal & Auditing Fees (11)	$ 11,000	$ 9,988	$ 1,012
Administration (12)	$ 8,000	$ 7,264	$ 736
Contingency (13)	$ 10,000	$ 9,080	$ 920
Total First Year Budget	$ 399,796	$ 388,774	$ 11,022

In the event the projected commencement date of the first year of Condominium operation is to be delayed more than six (6) months from the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. Sponsor will not declare the plan effective if any material changes to the budget are not yet disclosed in an amendment to the plan.

If the Common Charges in the revised budget projections exceed the earlier budget projections by twenty-five percent (25%) or more, the Sponsor will offer all purchasers the right to rescind their Purchase Agreements and have their Deposits refunded to them, whether or not the Sponsor offers to guarantee the earlier budget projections.

(2) SALARIES, WAGES, PAYROLL TAXES & BENEFITS - (Budget - $95,904)

The budgeted amount includes base wages, worker's compensation and disability insurance, health benefits, payroll taxes and the cost of sick days, holidays, and vacation pay for a projected shared building staff of one part time superintendent, one part time porter and 24 hour lobby attendants. The full staff may not be employed until certain Building occupancy levels are achieved.

It is anticipated that the part time non resident superintendent will receive $500 per week and will provide janitorial and maintenance service for the building. There will be a part time porter for approximately 8 hours per week for cleaning, refuse collection and other janitorial duties. It is expected that the 24 hour per day lobby attendant and the part time porter will be provided by The Planned Companies which provide building staff personnel. The anticipated labor cost are as follows:

Part Time Non Resident Superintendent @ $500 per week	=	$ 26,000
FICA @ 7.65% of base wage	=	$ 1,989
Workers Compensation @ 5.5% of total wages	=	$ 1,430
FUI and FUTA-NYS Unemployment @ $60 per employee	=	$ 425
NYS Disability @ $60 per employee	=	$ 60
Health Benefits @ $6,000 per year	=	$ 6,000
Total Wages and Benefit	=	$ 35,904

8 hour per week porter provided by The Planned Company @ $13.50 per hour, plus sales tax and a holiday differential for 7 holidays per year.	$ 8,000
8 hours per day lobby attendant @ $16.00 per hour plus sales tax with a holiday differential of 7 annual holidays	$ 52,000
	$ 95,904
TOTAL WAGES, TAXES & BENEFITS	**$95,904**

The employees will be devoting a substantial portion of their time and effort to service the Residential Units and the Residential Common Elements, except that a small portion of the Superintendent's and porter's time (estimated at ten percent (10%) will be devoted to the General Common Elements. Accordingly, salaries and related expenses have been primarily allocated to the Residential Units, except for the time charged to the General Common Elements ($4,390) that has been apportioned to all of the Units within the Condominium based upon each Unit's respective Percentage of Common Interest.

(3) HEAT & HOT WATER - (Budget - $73,200)

The budgeted amount is based upon a letter from Athwal and Associates, Inc. 171 Madison Avenue, New York, NY 10016, sponsor's consulting engineers dated, October 26, 2004. It is anticipated that the annual consumption of gas for heat and hot water for the residential units will be approximately 57,865 therms at $1.15 per therm for a total cost of $66,545. A 10% inflation factor has been added. The Commercial Unit will be separately metered or submetered for heat and hot water.

It is not possible to predict how closely the budgeted figure will reflect the actual cost of steam for heat and hot water during the first year of Condominium operation, because such cost will vary with the level of consumption and the price of gas. Consumption will be affected by the severity of the weather and by any conservation measures adopted by the Condominium Board or individual unit owners.

(4) COOKING GAS (Budget - $10,204)

The Residential Units will not be separately metered for gas to be used for cooking. Based on a letter dated October 26, 2004, from Athwal and Associates, Inc., 171 Madison Avenue, New York, New York 10016, it is estimated that the gas cost for apartment cooking based on 8066 therms at $1.15 per therm will be $9,276. A 10% inflation factor has been added.

(5) ELECTRICITY - (Budget - $52,032)

The electricity consumption for the first year of Condominium operation for the common areas was estimated by Athwal and Associates, Inc., 171 Madison Avenue, New York, NY 10016 in a letter dated October 26, 2004, at 315,348 kilowatt hours of electricity, at a rate of $.15 per kilowatt hour of electricity including applicable sales tax, resulting in an annual cost of $47,302. This estimate includes costs for the common area air conditioning units, distribution pumps, miscellaneous floor loads, elevators and lighting. Electricity costs can vary depending upon consumption and demand factors. A 10% inflation factor has been added.

These costs are only the estimated electricity costs for the Common Elements within the building and have been allocated 90 percent to the Residential Common Elements and charged to the Residential Units, with the remaining 10 percent allocated to the General Common Elements within the Condominium based upon each unit's respective Percentage of Common Interest.

Each unit will be individually metered or submetered for consumption of electricity within their own units.

(6) WATER & SEWER – (Budget - $15,556)

The building will have a single main water meter, which will measure actual water usage. Based upon a letter from Athwal and Associates, Inc., 171 Madison Avenue, New York, NY 10016 dated October 18, 2004, water and sewer charges are based upon a combined charge of $4.14 per 100 Cu. Ft. and an estimated usage of 3416 C.C.F.

The annual water and sewer charges during the first year of condominium operation is estimated at $14,142. A 10% inflation factor has been added.

The Commercial Unit will be separately sub-metered or metered for water and sewer and will pay the costs of water and sewer usage directly to the condominium or taxing authority.

(7) REPAIRS & MAINTENANCE – (Budget - $30,000)

Since the Building will be newly renovated it has no operating history upon which to project future costs of repairs and maintenance. No major capital repairs are included in the First Year's Budget since all major construction and mechanical systems will be new. Future major capital repairs to the Common elements will be borne by all Unit Owners. The budgeted figure for this item includes the cost of normal maintenance and repairs to the Common Elements of the Building that are the responsibility of the Condominium. Each Unit Owner will be responsible for the cost of the interior maintenance, repairs, decoration and painting of their respective units, including the appliances, incremental heating/air-conditioning units and any Limited Residential Common Elements appurtenant thereto. Repairs and Maintenance have been allocated to all Units based upon each unit's respective Percentage of Common Interest.

(8) SERVICE & SUPPLIES - (Budget - $57,200)

The budgeted amount includes the cost of cleaning equipment and miscellaneous supplies for the Common Elements, as well as the anticipated cost of service contracts during the first year of Condominium operation.

All of the mechanical systems within the Building will be refurbished, and some will be under a full service maintenance contract for the first year of Condominium operation from the contractor who will install the system. No maintenance or service contracts have been entered into as of the date of the Plan. The budgeted amounts are based upon the experience of the Sponsor's budget expert in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost that may occur prior to and during the first year of Condominium operations, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

It is projected that the Condominium will enter into maintenance agreements for the following services:

Heating and Cooling System	$ 8,000
Elevator Maintenance	$ 7,200
Sprinkler System/ Fire Protective Alarm System	$ 10,000
Metal, Wood, and Marble Maintenance	$ 10,000
Exterminator	$ 3,000
Water Treatment	$ 4,000
Miscellaneous Supplies	$ 15,000

The cost for services relating to the, sprinkler system/ fire protection alarm system, and exterminator, have been allocated to all units within the Condominium based upon each unit's respective Percentage of Common Interest. 90% of the supplies will be allocated to the Residential Units while 10% will be utilized in maintaining the General Common Elements and will be allocated to all units based upon each unit's respective percentage of Common Interest.

(9) INSURANCE – (Budget - $21,700)

Based upon the proposal dated November 1, 2004 from Hilb Rogal & Hobbs, having an office address at 100 Park Avenue, New York, NY 10017. The following insurance coverage will be obtained for the Building for the first year of Condominium operation:

A Comprehensive Condominium Package Policy, including Boiler & Machinery and Water Damage, with the following General Coverage and Limits:

Property Policy

$7,900,000	Building "All Risk", Special Form, Agreed Amount, No Co-insurance, Replacement Cost, $25,000 Deductible – Actual Sustained Loss Personal Property
	Business Interruption – Actual Sustained Loss – No Co-Insurance
	Business Personal Property - $1,000 Deductible – 80% Co-Insurance
Included	Flood - $100,000 Deductible
Included	Earthquake – 100,000 deductible
$1,000,000	Increased Cost of Construction or Demolition
$1,000,000	Back-up of Sewers and Drain/Underground Water Supply
Included	Boiler & Machinery – Direct & Indirect Loss
Included	Building Ordinance
Included	Property Enhancement Endorsement

General Liability Policy

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

$ 100,000	Fire Legal Liability
$ 5,000	Medical Payments
$1,000,000	Water Damage Legal Liability
$1,000,000	Non-Owned Automobile/Hired Car
	Liability Deductible - $5,000
Included	Knowledge or Notice of Occurrence
Included	Unintended Errors & Omissions
$1,000,000	Directors & officers Liability - $2,500 Deductible Per Claim

Umbrella Liability

$50,000,000	Umbrella Liability
$ 10,000	Self Insured Retention

The annual premium for the above mentioned insurance policy is estimated to be $21,700.

The insurance costs are for the entire Condominium and have been allocated to all units within the Condominium based upon each unit's respective Percentage of Common Interest.

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

Each individual Unit Owner should consider the desirability of obtaining additional insurance at his own cost for the following coverage, which is not included in the above coverage:

- fire or casualty losses to the contents of his unit and any replacements, additions, upgraded fixtures and improvements therein; and
- liability for personal injury or property damage as a result of occurrences in his Unit, including water damage legal liability to cover damage arising from leaks or other conditions within the Unit.

(10) MANAGEMENT FEE - (Budget - $25,000)

At or prior to the First Closing, the Condominium will enter into a management agreement with Intell Management, having an office address at 225 West 86, New York, NY, a real estate management firm. The agreement will be for an initial term of 2 year. Thereafter, the

agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than sixty (60) days' prior written notice.

The Managing Agent will receive an annual fee of $25,000 payable in equal monthly installment of $2,083. The Managing Agent's fee for the first year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

The Management Fee has been allocated to each unit based on each unit's respective Percentage of Common Interest.

See the section of the plan entitled "Agreements Affecting Building Operations" for further details.

(11) LEGAL & AUDIT FEES – (Budget - $11,000)

The Condominium will engage a law firm to act as the attorney for the Condominium. The estimated cost for minor legal services which do not include special collection matters or litigation for the Condominium's first year is $2,500. It is anticipated that the Condominium will enter into an agreement with Margolin Winer & Evans LLP, located at 400 Garden City Plaza, Garden City, NY. 11530 to provide audit tax returns preparation and financial statement preparation services for the Condominium. It is estimated that the first year cost for these services will be $8,500.

These professional fees are for the entire Condominium and have been allocated to all units within the Condominium based upon each unit's Percentage of Common Interest.

(12) ADMINISTRATION – (Budget - $8,000)

The budgeted amount includes anticipated expenses for telephone, beepers, postage, printing, miscellaneous office supplies, payroll processing costs, permits and fees and local telephone usage in the Superintendent's office.

These costs for administrative fees have been allocated to each unit within the Condominium based upon each unit's respective Percentage of Common Interest.

(13) CONTINGENCY – (Budget - $10,000)

This item is included in the budget to provide funds for unforeseen increases in Residential Common Expenses and General Common Expenses before or after the First Closing or to cover expenses not included in this budget.

The contingency reserve is for the entire Condominium and has been allocated to all units within the Condominium based upon each unit's respective Percentage of Common Interest.

(14) TOTAL PROJECTED EXPENSES – (Budget - $399,796)

The projections set forth in this budget assume that the first year of Condominium operation will cover the period from December 1, 2006 through November 30, 2007.

IN THE OPINION OF PENMARK REALTY CORP., HAVING AN OFFICE AT 820 SECOND AVENUE, NEW YORK, NEW YORK 10017. THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION. THE BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE BOARD WILL BE AS SET FORTH IN THE BUDGET. IN FACT, IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

EXHIBIT B

Certification of Sponsor's Expert Concerning Adequacy of Budget

PENMARK
REALTY CORP

PART 20: CERTIFICATION BY EXPERT AS TO ADEQUACY OF BUDGET

March 1, 2006

New York State Department of Law
Investment Protection Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
Altair 20
15 West 20th Street
New York, New York ("Property")

The sponsor of the condominium offering plan for the captioned condominium property retained our firm to prepare Schedules B and B-1 (collectively, "Schedules") containing projections of income and expenses for the first year of condominium operation. Penmark Realty has been engaged in the management of residential real estate for the past 32 years, manages approximately 35 cooperative and condominium buildings and is licensed as a real estate broker in the State of New York.

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

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

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

We certify that the Schedules:

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

(iii) do not omit any material fact;

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

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

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

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

(a) knew the truth;

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

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

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

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the condominium offering plan. This statement is not intended as a guarantee or warranty of the income or 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.

PENMARK REALTY CORPORATION

By: _____
Name: Bernard Friedman
Title: President

Sworn to before me this
1 day of March, 2006

_____
Notary Public

Janet Konstantinidis
Notary Public, State of New York
No. 01KO6018679
Qualified in Richmond County
Commission Expires January 19, 2007

EXHIBIT C

Real Estate Tax Opinion

MARCUS & POLLACK LLP
ATTORNEYS AT LAW
INCLUDING PROFESSIONAL CORPORATIONS
708 THIRD AVENUE
11TH FLOOR
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JOEL R. MARCUS
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February 24, 2006

BY HAND

Ms. Raizy Haas
Extell Development Company
800 Third Avenue, 4th Floor
New York, New York 10022

Re: 13-15 West 20th Street
Manhattan, Block 822 Lot 25
Assessment Projection

Dear Ms. Haas:

You have requested us to project the real estate tax liability including the estimate of the actual and taxable assessments and applicable taxes that would be reasonably expected to be applied to this property for the residential and commercial spaces in the above referenced premises, upon completion of rehabilitation and renovation and after the conversion of the property to a multiple use condominium.

We have reviewed the information you have provided us and researched the assessments of comparable properties together with our knowledge and experience with New York City assessing practices in reaching our projections.

It has been the practice of the Real Property Assessment Department of the City of New York revise the assessed valuation of newly constructed or renovated buildings. While there is a formula which has been utilized by the Real Property Assessment Department in assessing such properties in the past, it has not been employed consistently, and it is therefore not possible to estimate or determine the construction/renovation assessed valuation of this property with any degree of certainty. However, the estimates presented below are based upon our understanding of the current policies and practices of that department.

You should advise all prospective purchasers that although the estimate of assessed valuation upon completion of construction is a good-faith estimate, such assessed valuation, when actually made, may be less or greater than as estimated below. Furthermore, the allocation of assessments to each condo unit may be changed to percent common area factor from weighted sales price as was the previous practice.

The actual (target), and transitional assessed valuations for the subject property for the two most recent tax years are set forth as follows:

Tax Year		Total
2005/06	Actual	$1,242,000
2005/06	Transitional	$1,205,100
2006/07	Actual	$1,255,500
2006/07	Transitional	$1,062,000

You have advised us of the following facts regarding this project:

1. Extell Development Company will rehabilitate and renovate the property at 13-15 West 20th Street for conversion to a mixed use multiple dwelling condominium consisting of 17 residential apartment units and 1 commercial unit. Each unit will have a separate condominium tax lot.

2. The total gross square footage of the residential portion of the building, including accessory uses such as residential, lobby area, storage room, mechanical rooms, elevator shafts, etc. is 37,704 square feet. The gross square feet for retail commercial space is 4,000 square feet. The total gross building area is approximately 41,704 square feet. The New York City Department of Finance records show that this property is on a land plot of 5,152 square feet.

3. The site, which comprises the subject property, when purchased, comprise a single tax lot identify on the New York City Department of Finance records as Manhattan Block 822 Lot 25.

4. The subject property will not apply for real estate tax exemptions granted by the Housing Preservation and Development Agency ("HPD") through the 421-A program, J51 program or any other real estate tax exemption program.

5. Construction will commence in early 2006 and construction is estimated to be completed by December 1, 2006, a Temporary Certificate of Occupancy for all residential units is anticipated by December 1, 2006.

6. The commercial and residential portions of the property will be separate condominium units and each condominium unit will have a separate condominium tax lot.

7. The first year of the condominium operation is planned for December 1, 2006 through November 30, 2007.

There are three recognized appraisal methods which are employed by the Real Property Assessment Department to determine the full market value of income producing real property. These methods are the original cost method, capitalization of income approach, and the sales price comparison method.

The original cost method is based on the theory that the value of a given property is reflected by its cost of construction plus the acquisition cost of the underlying land. This method of valuation is considered a highly significant indicator of value with respect to new buildings. Relevant data used in the cost method include material and labor ("hard") costs, and financing, engineering, architectural, testing and professional fees, construction period taxes ("soft") costs.

The capitalization of income method is based upon the proposition that the annual net income generated by a property, when divided by the rate of return an investor at a given time would accept for his money in a competing investment, yields a close estimate of the market value of the property. For residential condominium properties, the Assessor will estimate the probable fair market rent from comparable rentals and project income and expenses before capitalizing them to arrive at a market value.

The sales price comparison method is founded upon the belief that value can be ascertained by surveying market prices. Market value has been defined as that price which a property would bring in a competitive and open market, wherein both buyer and seller are acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. However, the addition of sale prices of individual units may not be the basis for arriving at the assessed valuation of a residential condominium or cooperative housing corporation (see New York State Real Property Tax Law Section 581, and Real Property Law Section 339-y).

Since tax year 1982/83, Real Property Tax Law section 1805 (3) has mandated that increases in assessed valuation must be phased in over a five year period, resulting in a "transitional assessment". However, the statute requires the Finance Department to include all physical (new construction, renovation, rehabilitation, or addition of square footage to existing structures) changes directly into the taxable assessed valuation without the five-year phase-in. The "actual assessment" is the target value which will be reached at the end of the five year period, assuming the assessment is not increased in the interim. Taxes are payable based upon the lower of the two values.

In arriving at the assessed valuation for each unit in the Condominium, the building is first assessed in its entirety. This overall assessment is then apportioned among the respective units, each of which will be assigned a tax lot designation once the condominium Declaration has been recorded and the floor plans are filed with the office of the City Register. The apportionment may be based in part upon the proportion the projected selling price presented in the Offering Plan for each residential and storage unit bears to the gross sellout price for all residential and storage units available for purchase in the project (hereinafter, "Proportionate Valuation"), and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases if any on particular units. However, we believe the Department of Finance may change this approach and adopt an allocation of assessment based upon each units percent interest in the common elements.

Reconciliation of the three approaches to valuation discussed above, including review of the tentative 2006/2007 assessed valuations of comparable recently renovated constructed residential condominium apartment buildings and retail buildings in the vicinity of the subject, justifies an overall assessed valuation for the entire condominium (including "land" and "building") in each of the tax year 2007/08 and 2008/09 of $3,524,840 or approximately $84.52 per square foot of gross building area (41,704 sqft.). Prospective purchasers are advised that this valuation estimate assumes that the taxing authority is assessing a post-construction, completed, occupied building and is not intended to reflect any "progress" or interim valuation. In the event completion of construction is delayed for any reason, it is possible that the 2007/2008 and 2008/09 assessed valuation may be somewhat lower than as estimated herein.

The most recent and currently available tax rate for tax year (2005/2006), for residential real property is 12.396% and for commercial property the current tax rate is 11.306%. For purposes of the following projections these tax rates have been utilized for tax year 2007/2008 and 2008/09. Taxes payable during tax year 2007/2008 and 2008/09 by the condominium units as defined above, are projected as follows:

Our analysis of comparable rental and condominium residential buildings adjusted for age and location shows an average total assessment per square foot of gross building area at $85.00 per square foot.

Our analysis of comparable commercial retail units in the vicinity shows an average total assessment per square foot of $80.00 per square foot.

The two analyses mentioned above were conducted using the 2006/2007 tentative assessment roll. It is our projection that by tax years 2007/2008 and 2008/09 the subject property's total assessment before the apportionment for each condominium unit will be as stated below:

You have advised us that 37,704 square feet are used for residential and 4,000 square feet are used for commercial, for a total square feet of 41,704 square feet.

Projected Residential Actual Total Unit Assessed Value: (37,704 sqft. X $85 psf)	$3,204,840
Projected Retail Total Assessed Value: (4,000 sqft. X $80 psf)	$ 320,000
Projected Total Actual Assessed Value for the whole Building:	$3,524,840

Projected Total Taxes Payable During Tax Year 2006/07

Actual Total Assessed Value:	$1,255,500
Transitional Total Assessed Value:	$1,078,200
Assumed Tax Rate (For Tax Year 2006/07 the property is still classified as a class 4 commercial loft building)	11.306%
2006/07 Projected Total Taxes:	$121,901
Projected Retail Taxes:	$ 10,971
Projected Residential Taxes:	$110,930

Projected Total Taxes Payable During Tax Year 2007/08

Retail Actual Total Assessed Value:	$ 320,000
Retail Transitional Total Assessed Value:	$ 224,280
Assumed Tax Rate:	11.306%
Projected Retail Taxes:	$ 25,357
Residential Actual Total Assessed Value:	$3,204,840
Residential Transitional Total Assessed Value:	$2,267,724
Assumed Tax Rate:	12.396%
Projected Residential Taxes:	$ 281,107
Projected Total Taxes:	$ 306,464

Projected Total Taxes Payable during Tax Year 2008/09

Retail Actual Total Assessed Value:	$ 320,000
Retail Transitional Total Assessed Value:	$ 248,106
Assumed Tax Rate:	11.306%
Retail Taxes:	$ 28,051
Residential Actual Total Assessed Value:	$3,204,840
Residential Transitional Total Assessed Value:	$2,508,632
Assumed Tax Rate:	12.396%
Residential Taxes:	$ 310,970

First Year of Condominium Operation December 1, 2006 to November 30, 2007:

Retail Unit
12/1/06 - 6/30/07 (7 months of tax year 2006/07)
$10,971 divided by 12 x 7 = $6,400

7/1/07 - 11/30/07 (5 months of tax year 2007/08)
$25,357 divided by 12 x 5 = $10,565
Total Retail Taxes = $16,965

Residential Units
12/1/06 - 6/30/07 (7 months of tax year 2006/07)
$110,930 divided by 12 x 7 = $64,709

7/1/07 - 11/30/07 (5 months of tax year 2007/08)
$281,107 divided by 12 x 5 = $117,128
Total Residential Taxes = $181,837

Total Taxes For Whole Building: $198,802

Second Year of Condominium Operation December 31, 2007 to December 30, 2008:

Retail Unit
12/1/07 - 6/30/08 (7 months of tax year 2007/08)
$ 25,357 divided by 12 x 7 = $14,792

7/1/08 - 11/30/08 (5 months of tax year 2008/09)
$28,051 divided by 12 x 5 = $11,688
Total Retail Taxes = $26,480

Residential Units
12/1/07 - 6/30/08 (7 months of tax year 2007/08)
$281,107 divided by 12 x 7 = $163,979

7/1/08 - 12/30/08 (5 months of tax year 2008/09)
$310,970 divided by 12 x 3 = $129,571
Total Residential Taxes = $293,550

Total Taxes for Whole Building: $320,030

The tax liability of a particular condominium unit, assuming (a) the overall actual assessment as estimated above; (b) the Proportionate Valuation calculated in accordance with the guidelines set forth above; and (c) tax rates as estimated above, may be estimated as follows:

1st Year Estimated Tax Liability for individual residential unit =
$181,837 x Proportionate Valuation

2nd Year Estimated Tax Liability for individual residential unit =
$293,550 x Proportionate Valuation

1st Year Estimated Tax Liability for individual retail unit =
$16,965 x Proportionate Valuation

2nd Year Estimated Tax Liability for individual retail unit =
$26,480 x Proportionate Valuation

This letter was prepared at the sponsor's request, Extell Development Company. Certain figures set forth herein are approximations derived from material submitted by the sponsor and are subject to variation. We have not passed upon the accuracy of any figures or estimates contained in the Plan, and offer no warranties of the amount of any tax liabilities for any period.

The opinions expressed above are based on our interpretation of the Real Property Tax Law, Administrative Code of the City of New York, and the applicable rules and regulations, policies and practices of the Department of Finance in effect as of the date hereof. While we believe our opinions are well founded, they are not intended, and should not be construed as representations or warranties. You should be aware that the laws, regulations and practices of the Department of Finance upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one or more agencies of the City of New York, or Courts of competent jurisdiction. We assume no obligation to advise you of any such changes.

The foregoing analysis is based upon our experience with the Real Property Assessment Department and the Tax Commission of the City of New York, and their assessment policies regarding newly constructed or renovated properties held in condominium ownership. Application of a particular approach to valuation by an individual assessor may yield a significantly different result. This would necessitate commencement of real property tax review proceedings at the Tax Commission or Supreme Court level to bring the assessment in line with the estimates presented herein.

We hereby consent to the inclusion of this letter in the offering plan.

Very truly yours,

Joel R. Marcus

JRM/ak

EXHIBIT D

Real Estate Tax Opinion Comparison

MARCUS & POLLACK LLP
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JOEL R. MARCUS
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PHILIP H. AZARIAN

April 18, 2006

VIA FIRST CLASS MAIL AND E-MAIL (Ptroy@stroock.com)

Pamela Troy, Esq.
Stroock Stroock & Lavan LLP
180 Maiden Lane
New York, New York 10038

Re: Altair 20
15 West 20th Street
New York, New York

Dear Ms. Troy:

We are writing to you to respond to disclose and explain the differences between the real estate tax opinions provided by The Mazursky Group Inc. for the original condominium offering plan and the real estate tax opinion provided by our firm Marcus & Pollack LLP which is intended to be included as an exhibit to the first amendment to the offering plan. This letter should serve to cure the Deficiency Number 2.

The Mazursky Group Inc. real estate tax opinion was written on May 13, 2005 with limited review of the 2005/2006 tentative assessment roll published January 5, 2005. Since that date, two subsequent assessment rolls were published. First the Final Assessment Roll for tax year 2005/2006 was published on May 25, 2005 and second, the Tentative Assessment Roll for tax year 2006/2007 was published on January 15, 2006. Our office had the opportunity to review these two additional assessment rolls.

In addition to the current assessing policies and procedures of the New York City Department of Finance, this better allows us to project a future post construction assessed value for the property. Probably most importantly, The Mazursky Group Inc. tax projection letter incorrectly projected the assessed values for tax year 2006/2007 at:

2006/2007 Actual:	$4,750,000
2006/2007 Transitional:	$4,037,100

Whereas the more current Marcus & Pollack tax opinion letter used the actual assessed value published by the New York City Department of Finance for tax year 2006/2007 which are as follows:

Tax Year	Total Assessed Value
2006/07 Actual	1,255,500
2006/07 Transitional	1,062,000

As you can see, there is a significant difference between the Mazursky Projection for 2006/2007 and the Department of Finance published assessed values for 2006/2007 as is emphasized below:

	Actual Assessed Value	Transitional Assessed Value
Muzursky Projection	4,750,000	4,037,100
Department of Finance Published Assessed Value:	1,255,500	1,062,000
Over Projected Amount (Difference):	3,287,050	2,975,100

When using Mazursky's outdated and incorrect projected assessed value this resulted in significantly higher projected taxes. To reiterate, the Marcus & Pollack LLP projection letter included in the first amendment to the offering plan used the correct published 2006/2007 assessed values.

Our review of the 2005/2006 Final Assessment Roll and the 2006/2007 Tentative Assessment Roll determined that the New York City Department of Finance assessing policy was less aggressive in valuing older commercial buildings which are converted to residential condominium use. As such, the Marcus & Pollack LLP post construction actual assessed value is:

Residential Assessed Value:	$3,204,840
Commercial Assessed Value:	$ 320,000
Total Assessed Value:	$3,524,846

Whereas The Mazursky Group Total Assessed Value is $4,750,000. This is a total difference of $1,225,160.

Last but not least, the change in the Condominium Operating Period caused the tax projection to be for different periods which are effected by different tax years and assessed values. The Mazursky Group Inc. projected real estate taxes for the two operating years states as (1) 5/01/06 to 4/30/07 which involves portions of tax years 2005/2006 and 2006/2007 and (2) 5/01/07 to 6/30/08 which involves a portion of tax years 2006/2007 and 2007/2008. We now know that the Mazursky Group projected 2006/2007 assessed value is higher than that set by the New York City Department of Finance, whereas Marcus & Pollack LLP projected taxes for the operating years (i) 12/1/06 to 11/30/07 which involves 7 months of tax year 2006/2007 and 5 months of tax year 2007/2008 and (ii) 12/1/07 to 11/30/08 which involves 7 months of tax year 2007/2008 and 5 months of tax year 2008/2009. Marcus & Pollack LLP tax opinion used the official 2006/2007 assessed values.

The explanation should serve to disclose the differences in the real estate tax opinion provided by The Mazursky Group Inc. for the offering plan and the real estate tax opinion provided by Marcus & Pollack LLP and used as Exhibit C to the First Amendment.

Very truly yours,

Joel R. Marcus

JRM/ak

EXHIBIT E

Schedule A, Purchase Prices and Related Information

15 West 20th Street
Purchase Price Related Information for First Year of Condominium Operation
December 1, 2006 thru November 30, 2007

Floor #	(1) Square footage	# of Bedrooms Bathrooms & Home Office	(2) Purchase Price	(3) % of Residential Common Interest	% of Common Interest	(4) Projected Annual Common Charges	(4) Projected Monthly Common Charges	(5) Projected Annual Real Estate Taxes	(5) Projected Monthly Real Estate Taxes	Projected Monthly Carrying Charges
2A	2,259	2 / 3 / 1	$ 2,200,000	5.122%	4.651%	$ 20,477.55	$ 1,706.46	$ 5,681.83	$ 473.49	$ 2,179.95
2B	2,322	2 / 3 / 1	$ 2,400,000	5.339%	4.848%	$ 21,345.11	$ 1,778.76	$ 5,922.55	$ 493.55	$ 2,272.31
3A	2,259	2 / 3 / 1	$ 2,250,000	5.211%	4.732%	$ 20,833.37	$ 1,736.11	$ 5,248.70	$ 437.39	$ 2,173.51
3B	2,322	2 / 3 / 1	$ 2,450,000	5.428%	4.929%	$ 21,700.93	$ 1,808.41	$ 5,487.27	$ 455.61	$ 2,264.02
4A	2,259	2 / 3 / 1	$ 2,300,000	5.300%	4.812%	$ 21,189.19	$ 1,765.77	$ 5,338.34	$ 444.86	$ 2,210.63
4B	2,322	2 / 3 / 1	$ 2,500,000	5.516%	5.008%	$ 22,052.75	$ 1,837.73	$ 5,555.91	$ 462.99	$ 2,300.72
5A	2,259	2 / 3 / 1	$ 2,350,000	5.389%	4.893%	$ 21,545.01	$ 1,795.42	$ 5,427.99	$ 452.33	$ 2,247.75
5B	2,322	2 / 3 / 1	$ 2,550,000	5.605%	5.089%	$ 22,408.57	$ 1,867.38	$ 5,645.55	$ 470.46	$ 2,337.84
6A	2,259	2 / 3 / 1	$ 2,425,000	5.522%	5.014%	$ 22,076.74	$ 1,839.73	$ 5,561.95	$ 463.50	$ 2,303.22
6B	2,322	2 / 3 / 1	$ 2,625,000	5.739%	5.211%	$ 22,944.29	$ 1,912.02	$ 5,780.52	$ 481.71	$ 2,393.73
7A	2,259	2 / 3 / 1	$ 2,550,000	5.744%	5.216%	$ 22,964.28	$ 1,913.69	$ 5,785.55	$ 482.13	$ 2,395.82
7B	2,322	2 / 3 / 1	$ 2,750,000	5.961%	5.413%	$ 23,831.84	$ 1,985.99	$ 6,004.12	$ 500.34	$ 2,486.33
8A	2,259	2 / 3 / 1	$ 2,675,000	5.966%	5.417%	$ 23,851.83	$ 1,987.65	$ 6,009.16	$ 500.76	$ 2,488.42
8B	2,322	2 / 3 / 1	$ 2,875,000	6.183%	5.614%	$ 24,719.39	$ 2,059.96	$ 6,227.73	$ 518.98	$ 2,578.93
9A	2,259	2 / 3 / 1	$ 2,825,000	6.233%	5.660%	$ 24,919.28	$ 2,076.61	$ 6,278.09	$ 523.17	$ 2,599.78
9B	2,322	2 / 3 / 1	$ 3,025,000	6.450%	5.857%	$ 25,786.84	$ 2,148.90	$ 6,496.66	$ 541.39	$ 2,690.29
PH- FT, RT	3,223	3 / 3.5	$ 4,100,000	9.292%	8.437%	$ 37,149.04	$ 3,095.75	$ 9,359.22	$ 779.94	$ 3,875.69
Total Comm	39,871		$ 44,550,000	100.000%	90.7991% 9.2009% 100.000%	$ 399,796.68	$ 33,316.33	$ 110,930.69	$ 9,482.89	$ 41,799.23

FT - 1,105 19th floor
RT - 1,120 11th floor
RT - 93 11th floor

Notes to Schedule A

1 Residential Unit Plans depicting layouts of Residential Units in this Schedule A appear in Part II of the Plan. Purchasers should note that the square footage of each Residential Unit as reflected in Schedule A includes a Unit's allocable share of elevator vestibules and stairwells which access only two Units per floor while the square footage calculations on the Floor Plans set forth in Part II of the Plan do not include such vestibules and stairwells. All square footage figures are approximate and may change due to field conditions and construction variances and tolerances. Each Unit will be measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits are not deducted) to the centerline of the partitions separating one Unit from another Unit, corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Each Unit will be measured vertically from the top of the floor to the underside of the ceiling.

As is often the case in New York, these square foot areas exceed the usable floor area of each Unit. Columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. The clearance between the top of the floor slab and the bottom of the finish ceiling in the Units will be approximately 11'0" (8'6" in some areas) for Units on Floor 2; approximately 10'0" (8'6" in some areas) for Units on Floors 3 through 8; approximately 10'0" (8'6" in some areas) for Units on Floor 9; and approximately 10'0" (8'6" in some areas) for the Penthouse Unit on Floors 10 and 11. However, certain Units may have less clearance and certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams and mechanical spaces in such Units. Purchasers are further advised that Sponsor has reserved the right to negotiate with individual purchasers to perform special work which may require a modification in floor plans for certain Residential Units and accordingly the layout of the Units and Common Elements may vary. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

2 No change will be made in the purchase prices other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. In addition to the purchase price, Purchaser will be responsible at Closing for certain closing costs as explained in the Section entitled "Closing Costs and Adjustments" in Part I of the Plan including, without limitation, the obligation to contribute one (1) month's Common Charges to the Working Capital Fund of the

Condominium. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Units.

3(a) The respective Common Interest of each Unit in the Common Elements, in accordance with the provisions of Section 339-i(1)(iv) of the New York Condominium Act, 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 the event that, prior to the First Closing, Sponsor negotiates with individual purchasers to change the layout or dimensions of their respective Residential Units and such changes involves the inclusion, in the Residential Unit, of areas formerly designated as Common Elements, or involves adding to the Common Elements, space that was previously incorporated in the Residential Units, the Common Interest of all of the Residential Units may change slightly. Any such change in the Common Interest allocated to a Residential Unit prior to the recording of the Declaration shall not be deemed a material change and shall not give rise to a right of rescission on the part of any purchaser.

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

4 The estimates contained in this schedule were prepared on the assumption that the first year of Condominium operation will be the year from May 1, 2006 through April 30, 2007, and are only an estimate of the receipts and expenses of the Condominium for the projected year. Sponsor makes no representation regarding the commencement date or the estimated receipts and expenses for the first year of Condominium operation which may be greater than or less than the estimated figures set forth in the proposed budget. The actual first year of Condominium operation may be earlier or later than such year. If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected first year of condominium operation, Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended projections exceed original projections by twenty-five (25%) percent or more, Sponsor will offer all purchasers the right to rescind for a period of fifteen (15) days after the date of the presentation of the amendment setting forth the right to rescind.

The estimated monthly Common Charges for each Residential Unit are based on the Schedule B - Projected Budget for First Year of Condominium Operation. The estimated monthly Common Charges include the cost of central heating for the Units. Each individual Residential Unit is provided with an HVAC unit. The Maintenance and operating cost of the HVAC units are borne by the individual Residential Unit Owners. Please refer to Schedule B-1 "Energy Costs Projection" from Athwal and Associates, Inc., consulting engineer, for further information regarding estimated energy costs. In addition to these estimated payments, each Residential Unit Owner will be responsible for real estate taxes for such Residential Unit, mortgage payments under a loan or loans,

if any, obtained to finance the purchase of the Residential Unit, the cost of electricity supplied to the Residential Unit which will be separately metered and payable directly to the utility company, the insurance which must be carried by each Residential Unit Owner with respect to liability and casualty to the contents of the Unit and the cost of interior repairs and decorations to the Residential Unit. Until the Units are separately assessed, real estate taxes shall be part of Common Expenses. In the event that the payments made by Unit Owners are less than or more than the amount of taxes paid for the period in question, Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. In addition, capital repairs, additions, improvements, alterations and restorations to Residential Section are Common Expenses, which will be borne solely by the Residential Unit Owners.

5 It is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the first year of Condominium operation will total approximately $298,268, based on an opinion prepared by Jerome Mazursky dated January 14, 2004 which assumes (a) an assessed transitional valuation attributable to the residential portion of the Property of $915,846 for the July 1, 2005 through June 30, 2006 fiscal tax year, (b) an assessed transitional valuation attributable to the residential portion of the Property of $3,068,196 for the July 1, 2006 through June 30, 2007 fiscal tax year, (c) a projected tax rate of $11.50 per $100 of assessed valuation for the July 1, 2005 through June 30, 2006 fiscal tax year and a projected tax rate of $12.70 per $100 of assessed valuation for the July 1, 2006 through June 30, 2007 fiscal tax year. After the Condominium is divided into individual tax lots 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 any Unit be subject to any lien arising from the non-payment of, taxes on other Units. Projected tax deductions (where applicable) may vary in future years due to changes in the interest rate on the Unit Owner's mortgage (if any), changes in the allocation of constant debt service payments to interest and principal, changes in real property tax benefits or changes in the assessed value, tax rate or method of assessing real property. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED. PURCHASERS ARE ADVISED THAT THE NEW YORK CITY TAXING AUTHORITIES HAVE IMPLEMENTED SIGNIFICANT INCREASES IN THE TENTATIVE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS FOR THE TAX YEAR 2005/2006 WHICH DO NOT APPEAR CONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS.

Purchasers should note that the real estate taxes for the first year of Condominium operation are less than taxes would be for the second year of Condominium operation since the first year's tax estimate includes six (6) months of assessed valuation of the Property prior to the completion of the Building and a commercial tax rate for such period which is a substantially lower valuation. Assuming the Property does not receive any abatement from real estate taxes, the taxes during the second year of operation could be approximately twice the taxes during the first year of operation.

The real estate tax estimates for each Residential Unit were calculated on the assumption that the real estate taxes for the residential portion of the Building payable with respect to each Residential Unit for the first year of Condominium operation will be allocated in proportion to each Residential Unit's Common Interest as set forth on Schedule A. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's purchase price rather than its Common Interest, and, if so, Residential Units having the same or similar percentage interest which are determined to have a higher purchase price or market value will pay higher real estate taxes than are reflected on Schedule A.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method to be employed by the New York City tax assessor in allocating individual Residential Unit assessments; (ii) of the assessed values of the Residential Section during the first year of Condominium operation, or (iii) of the tax rates for the first year of Condominium operation.

See the Section entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium" and the Attorney's Income Tax Opinion in Part I of the Plan for a discussion concerning the deductibility of real estate taxes paid with respect to a Residential Unit. Purchasers should note that the deductibility of mortgage interest and real estate taxes in future years may vary due to changes in the interest rate on the unit owner's mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, the tax rate or the method of assessing real property.

EXHIBIT F

Rescission Notice

EXHIBIT E

RESCISSION NOTICE

Date: _____

Strategic Chelsea, LLC.
800 Third Avenue
New York, New York 10022

Re: Unit No. _____ (the "Unit")
Altair 20
15 West 20th Street
New York, New York 10011 (the "Property")

Gentlemen:

Please be advised that (I) (we), the undersigned purchaser(s) of the above-referenced Unit hereby exercise (my) (our) right to rescind (my) (our) Purchase Agreement pursuant to the terms of the First Amendment to the Condominium Offering Plan for the referenced Property.

(I) (we) understand that if this Rescission Notice is timely delivered to you: (a) the Purchase Agreement shall be of no further force and effect; (b) the Unit may be sold to other purchasers and (c) (my) (our) Deposit shall be returned to(me) (us) with interest accrued, if any, within thirty (30) days following the expiration of the rescission period.

Please return (my) (our) Down Payment to the following address:

_____

_____

_____

_____

(I) (We) agree that upon the refund of the Deposit and any accrued interest, (I) (we) shall have released and discharged Strategic Chelsea LLC, the Sponsor, Corcoran Group Marketing, the Selling Agent and Stroock & Stroock & Lavan LLP, the Escrow Agent and their respective officers, directors, partners, agents and employees of any obligations, liabilities, claims and expenses of any nature in connection with the Condominium Offering Plan, as amended to date.

Very truly yours,

_____

Purchaser

_____

Purchaser

Personal Delivery
or
Certified Mail, Return Receipt Requested

cc: Stroock & Stroock & Lavan LLP
180 Maiden Lane
New York, New York 10038
Attention: Michel Evanusa, Esq.

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PART I

SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

(See the "Definitions" Section of this Plan for definitions of capitalized terms used but not defined in this Section.)

The foregoing Special Risks are reasonably believed by Sponsor to involve significant risks to purchasers or be reasonably likely to affect disproportionately or unusually the Common Charges or obligations of Residential Unit Owners in future years of Condominium operation. However the foregoing does not reflect all of the material terms of the offering, which are set forth in detail in the Plan, certain of which may all be deemed by some Purchasers and not others to involve significant risks. Therefore all Purchasers should carefully review the entire Plan for complete disclosure of the terms before deciding whether or not to purchase a Residential Unit.

1. At the time an Agreement is executed, a Purchaser is required to make a Deposit in an amount equal to at least ten (10%) percent of the purchase price with an additional five percent (5%) of the purchase price due and payable no later than the earlier to occur of: (i) four (4) months after the date of the Agreement or (ii) fifteen (15) days after Sponsor presents an amendment declaring the Plan effective, but in no event later than the Closing, subject to collection. The Initial Deposit and the Additional Deposit are hereinafter collectively referred to as the "Deposit." In the event a Purchaser defaults under the Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, either (i) cancel such Agreement and retain, as liquidated damages, the Deposit made by the Purchaser, together with interest earned thereon, if any (which Deposit may be in excess of ten percent (10% of the Downpayment), or (ii) bring an action against such Purchaser for specific performance, in which event Purchaser could be compelled to complete the transaction. Additionally, if a Purchaser fails for any reason to close title to the Residential Unit on the originally scheduled Closing Date and Sponsor elects not to cancel the Purchaser's Agreement as a result of the same, (a) the closing apportionments to be made at the Closing will be made as of midnight of the day preceding the originally scheduled Closing Date, and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the purchase price of the Residential Unit for each day that the Closing is adjourned. Purchasers are further advised that (i) if a Purchaser makes a Deposit in excess of $100,000 for the purchase of a unit, such Deposit will not be federally insured in excess of $100,000; and (ii) while the Deposit is in the non-interest bearing checking portion of the Master Escrow Account, the Deposit may not be fully federally insured even if the Deposit does not exceed $100,000. Funds drawn on out-of-state or foreign banks will not be accepted in payment of the purchase for a Residential Unit unless otherwise agreed by Sponsor. The Agreement also provides that Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under the Agreement or, in the event Purchaser defaults under the Agreement beyond any applicable grace period, in canceling the Agreement or otherwise enforcing Purchaser's obligations thereunder. THE AGREEMENT ALSO PROVIDES, IN CLEAR AND EXPLICIT TERMS, THAT EXCEPT AS PROHIBITED AS LAW, THE PARTIES WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF, OR CONNECTED WITH, OR RELATING TO, THE PLAN, THIS

AGREEMENT OR THE RELATIONSHIP CREATED HEREBY. (See the Section entitled "Procedure to Purchase" for further discussion of the foregoing.)

2. Although a Purchaser may obtain financing from a lending institution or any other source, the obligation to purchase a Residential Unit pursuant to the Agreement shall not be contingent upon obtaining financing for such purchase. Neither Sponsor nor the Selling Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to finalize their financing arrangements before signing an Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed, and it could expire before the Closing Date and a Purchaser would have to close without financing or risk losing such Purchaser's Deposit. Please refer to the section of the plan entitled "Procedure to Purchase" for further details.

3. Prior to the closing of title to a Residential Unit, the Agreement prohibits a contract vendee from listing the Residential Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Residential Unit for sale or lease, without Sponsor's prior written consent. In addition, a Purchaser (other than a Purchaser purchasing for such Purchaser's own occupancy) may not advertise, list or sell a Residential Unit acquired from Sponsor for twelve (12) months after acquisition of such Residential Unit (provided however, such limitation shall not apply from and after the date that the Sponsor conveys title to all of the Residential Units). Any such conveyances in violation of the foregoing will be voidable by Sponsor. Purchasers are referred to the Agreement set forth in Part II of the Plan.

4. No party other than the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party (including without limitation, parties purchasing from Purchasers) shall be deemed to have received any benefit as a result of any of the provisions of the Plan. Please refer to the section of the plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" for further details.

5. There is no limit on the length of time that Sponsor may control the Residential Board or the Condominium Board. The Sponsor has the right to appoint a majority of the members of the Residential Board and the Condominium Board (and therefore control such Boards) for a period ending on the date which is five (5) years from the First Closing unless the Sponsor voluntarily relinquishes such right prior to the expiration of such five year period. After the date which is five (5) years from the First Closing, Sponsor may continue to control the Condominium Board and the Residential Board if it has sufficient votes to elect a majority of the members of the Residential Board. Accordingly during the period ending on the date which is five (5) years from the First Closing, Sponsor could control the Residential Board and the Condominium Board notwithstanding the fact that Sponsor no longer owns Units. Sponsor reserves the right to relinquish and regain voting control of the Residential Board and the Condominium Board at any time. During the period that Sponsor controls the Condominium Board or the Residential Board, as the case may be, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Residential Common

Charges to be paid by all Residential Unit Owners. Please refer to the Section of the Plan entitled "Control by Sponsor" in Part I of the Plan for further details.

6. Sponsor and the owner of any Unsold Residential Units may exercise veto power over some actions of the Condominium Board. Until Sponsor and the owner of any Unsold Residential Units have conveyed title to all Residential Units, but in no event later than the sooner to occur of five (5) years after the First Closing or whenever the Unsold Units constitute less than 25% of the Common Interest, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or the Residential Section, or (f) exercise a right of first refusal to lease or purchase a Residential Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board to comply with Laws, rules or regulations of any governmental authority having jurisdiction over the Condominium to remedy any notice of violation or to remedy any work order by an insurer (see the Section entitled "Control By Sponsor" for further details).

7. No amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations shall be effective in any way, (a) without the prior written consent of the affected Commercial Unit Owner(s) with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of any Commercial Unit or affecting the rights, privileges, easements, licenses or exemptions granted to any Commercial Unit Owner or (b) without the prior written consent of Sponsor or its designee or the owner of any Unsold Residential Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Residential Unit, as the case may be, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Residential Unit, as the case may be. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers.")

8. There is no Residential Unit designated as a superintendent's apartment in the Building. Sponsor currently intends to provide janitorial services for the Building through the Condominium employing a part time non-resident superintendent who will work a minimum of 20 hours per week. There will be a part time porter for approximately 28 hours per week for cleaning, refuse collection and other janitorial duties. In addition, there will be a twenty-four hours per day doorman (the "Lobby Attendant"), separate from the part time porter staff. The

Lobby Attendant during nighttime hours will also function as a porter. The Budget for the First Year of Condominium Operation includes salary and benefits to be paid to the building staff.

9. Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During the first years of Condominium operations, construction workers and related personnel will be at the Property from time to time completing construction of the Building, making adjustments and corrections and performing various tasks related to the completion of construction, which may occur at all hours and could compromise the Building's security systems. During this period, various building systems, including but not limited to water supply, air conditioning, heating, cooling, ventilating, elevator and shuttle, may need to be shut down temporarily. Sponsor and its designees, including tenants performing work in the Commercial Unit, will have the right to and may utilize the elevator, shuttle and other building systems and may install and retain scaffolding and other equipment on and in the Building to complete construction of the Building. Sponsor may not fully complete the decoration of portions of the Building, including, without limitation, the lobbies or corridors in the Building, the installation of light fixtures, the hanging of wall coverings or laying carpeting, until a particular portion of the Building is complete or a particular floor is fully occupied by Residential Unit Owners. The Condominium Board may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained therefor. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. Portions of the Building such as the recreation areas on the roof over the 10th Floor and on the roof over the 11th floor, the Storage Bins, community room/exercise facility in the Cellar may be completed after some or all of the Units and the fact that such portions of the Building have not been completed or are not available for use by Residential Unit Owners is not a basis for a Residential Unit Owner to refuse to close title to the Residential Unit. In addition, the presence of hoists or construction elevator shafts or similar temporary construction facilities, may delay the closing of title to certain Residential Units or lines of Residential Units until such hoists, elevators or temporary facilities are no longer needed and are removed. During the period when Sponsor is completing construction of the Building, moves into the Building may be restricted to certain periods when the elevators and other access to the Building are not being utilized by the construction trades. The first Temporary Certificate of Occupancy will issue for some but not all of the Residential Units and Sponsor may complete construction of certain Residential Units before others. Accordingly, Purchasers should be aware that they may be required to close title to their Residential Units while construction in other Units is continuing, possibly, for extended periods of time, and that noise, dust and other objectionable conditions inherent in a construction site may inconvenience Residential Unit Owners after they have taken occupancy of their Residential Units. The Project involves the complete renovation of the Building which was initially constructed in approximately 1904. As with any such renovation, Sponsor may be required to alter the plans and specifications to address existing conditions uncovered in the course of renovation. Any such material modifications will be disclosed in an amendment to the Plan and, if such modifications are materially adverse to Purchasers, such Purchasers will be given an opportunity to rescind their Agreements, as more particularly described in the Section

of the Plan entitled "General." While Sponsor is performing substantial repair to the facade of the Building, the facade is an existing structural element of the Building and, as all prudent property owners are aware, a program of ongoing maintenance is typically required to insure the integrity of a building. Sponsor makes no representations or warranties regarding the facade of the Building except as otherwise set forth in the Plan. Please refer to the Section of the Plan entitled "Description of Property" in Part II of the Plan for further details.

10. The floors of the Building are steel framed with beams and girders. Spans between are infilled with concrete sections, which measure approximately 12" deep by 4" wide, spaced at 12" on center. Floor framing is overlaid with existing wood sleepers, which are being retained. The voids are filled with cinder concrete fill. Wood sleepers are prone to moisture absorption, which can result in buckling of the subfloor and/or the finish floor. Water absorption can occur from water in the environment before and during construction, and from water specifically used when "core-drilling" or wet cutting openings. Typically, due to the construction sequence, this wood cannot fully dry. Please refer to the Section of the Plan entitled "Description of Property" in Part II of the Plan for further details.

11. Sponsor has applied for a special permit pursuant to Section 74-711 of the New York City Zoning Resolution for a waiver of the rear yard setback requirement of Section 23-66 of the New York City Zoning Resolution to allow the construction of the two floors which will comprise an addition to the Penthouse of the existing Building. The waiver would allow the top floor of such addition to encroach 10 feet into the required rear setback space. The common charges will not be affected if the waiver is granted. Please refer to the section of the plan entitled "Description of Property" for further details.

12. The first year of condominium operation is estimated to be May 1, 2006 through April 30, 2007. As in any newly constructed project, given the vagaries of the construction process, as more particularly described above, it is difficult to predict,, with precision, the date Sponsor will first be able to close title to the Residential Units. Accordingly, the First Closing may occur sooner or later than the projected first year of condominium operation and closings to certain Residential Units may occur substantially before or after closings for other Residential Units. See the Section entitled "Description of Property and Improvements" under the heading "Construction of the Building" in Part I of the Plan for further details.

13. The real estate tax estimates for each Residential Unit were calculated on the assumption that the real estate taxes for the residential portion of the Building payable with respect to each Residential Unit for the first year of Condominium operation will be allocated in proportion to each Residential Unit's percentage interest in the Common Elements as set forth on Schedule A. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's purchase price or imputed market value rather than its percentage interest in the Common Elements, and, if so, Residential Units having the same or similar percentage interest may pay different real estate taxes and taxes may differ from those set forth on Schedule A. **SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.** Moreover, Purchasers should note that the real estate taxes for the first year of Condominium operation are less than taxes would be for the

second year of Condominium operation since the first year's tax estimate includes a period of assessed valuation of the Property prior to the completion of the Building, which is a substantially lower valuation. Please refer to the Section of the Plan entitled "Real Estate Taxes" in Part I of the Plan for further details.

14. Sponsor and any subsequent owner of the Commercial Unit have the right to subdivide and combine portions of their respective Units, subject to the provisions of the Declaration and By-Laws. The Commercial Unit may be used for any lawful purposes. The Residential Unit Owners may not have control over the uses of the Commercial Unit. (See "Commercial Unit" for further details). The Commercial Unit will be serviced by a venting flue for use in the event the Commercial Unit is used as a restaurant. The use of the Commercial Unit may generate noise, traffic, fumes or other disturbances over which the Residential Unit Owners will have no control. The Commercial Unit shares the cost for certain expenses based upon allocable percentage interest and shares other costs based upon anticipated usage. Please refer to the "Introduction" Section of the Plan under the subsection entitled, "Features of Condominium Ownership" and Schedule B for further details regarding the allocation of Common Expenses.

15. Sponsor currently intends to sell the Units under the terms of the Plan. However, under the terms of this Plan, Sponsor and any owner of the Commercial Unit have reserved the right to rent or lease any Commercial Unit or the Unsold Residential Units prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion or to use or offer the Commercial Unit and the Unsold Residential Units for any lawful purpose. Except where otherwise prohibited by Law, certain Residential Units may be occupied under short-term leases. Accordingly, residents of the Condominium may be comprised of both Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Accordingly, it is possible that a significant proportion of Residential Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Residential Unit Owners. As a consequence of the foregoing, a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. See the Section entitled "Introduction" under the Subsection "Features of Condominium Ownership" in Part I of the Plan for further details.

16. The By-Laws do not include a provision that after the Sponsor Control Period (as hereinafter defined), a majority of the Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. In addition, non-resident owners, including Sponsor, have no investment in their Residential Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment). Please refer to the By-Laws in Part II of the Plan for further details.

17. Individuals leasing Units from Sponsor will not, except as expressly provided in their respective leases, have any special rights to purchase such Units. In addition, a Purchaser

may be acquiring a Unit that has been previously occupied, but such Unit will be delivered at closing free and clear of all leases and tenancies except as may otherwise be agreed to in writing by the parties. Any lease for a Residential Unit entered into with a Purchaser will provide, however, among other things, that an uncured default by the Purchaser under the Agreement with respect to the Unit which is the subject of the lease will constitute a default under the lease entitling Sponsor, at its sole option, to terminate such lease in accordance with applicable Law. In addition, each Agreement may provide that an uncured default by the Purchaser under any lease with respect to the Unit which is the subject of the Agreement will constitute a default under the Agreement entitling Sponsor, at its sole option, to terminate such Agreement and to exercise any remedies therein provided. See the Section entitled "Interim Leases" in Part I of the Plan for further details.

18. Pursuant to the Declaration and By-Laws, the Residential Units may be used for residential purposes or other lawful purposes subject to conditions set forth in Section 9.1 of the Declaration. Sponsor and the owner of any Unsold Residential Unit may use the Residential Units for any purpose permitted by Law and may modify the certificate of occupancy to reflect a change in use. Please refer to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the Subsection entitled "Use of Units" in Part I of the Plan for further details.

19. No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments and real estate taxes with respect to the Commercial Unit and the Unsold Residential Units or to complete construction of the Condominium. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Residential Units. Sponsor will pay the Common Charges for the Commercial Unit for so long as such Unit is owned by Sponsor. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" in Part I of the Plan for further details.

20. The exterior of all windows in the Residential Section shall be washed or cleaned at the cost and expense of the Residential Unit Owner. The interior glass surfaces of all windows located in any Unit and the exterior glass surfaces of all windows located in the Commercial Unit shall be washed and cleaned at the sole discretion of the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. Please refer to the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Repairs to and Maintenance of Units and Common Elements" in Part I of the Plan for further details. The Budget for first year of Condominium operation does not include any expenditure for window washing.

21. Purchasers shall be obligated to pay the NYC Real Property Transfer Tax and NYS Real Property Transfer Tax (Deed Stamps) which by Law are the primary obligation of a seller. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. Purchasers who acquire two or more Residential Units will be obligated to pay the NYC Real Property Transfer Tax at the commercial rate of 2.625% of the purchase price. If the purchase price of the Residential Unit is $1,000,000 or more, Purchaser shall also be obligated to pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," currently one (1%)

percent of the purchase price, which by Law is the primary obligation of the Purchaser. (See the Section entitled "Closing Costs and Adjustments" for further details).

22. Sponsor financed the acquisition of the Property and is financing the construction of the Building with Commerce Bank, N.A. (the "Lender"). The mortgage loans (the "Mortgage Loans") are in a total aggregate amount of $18,900,000. While Sponsor currently intends to sell all of the Residential Units in Altair 20, Sponsor has reserved the right to stop marketing such Units and there is no restriction under the Mortgage Loans on the right of the Sponsor to rent Unsold Units. The Mortgage Loans do provide for minimum "release" prices as a condition to the Lender releasing the liens of the Mortgage Loans from each Unit upon the sale thereof.

23. Purchasers or any other persons entering into a lease or use and occupancy agreement for a Residential Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. Such legal fees are estimated to be approximately $1,500 assuming that the Purchaser's counsel does not negotiate the terms of the lease. All other charges or other fees due under a lease or use and occupancy agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any lease or use and occupancy agreement. (See the Sections entitled "Interim Leases" and "Rights and Obligations of Sponsor").

24. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Stroock & Stroock & Lavan LLP, in connection with the closing of title to Purchaser's Unit: (i) the sum of $1,500 to reimburse Sponsor for its legal fees, (ii) if the Purchaser requests the Closing to occur other than at the offices of Stroock & Stroock & Lavan LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $700 for each Closing held in any borough outside Manhattan, (iii) if the closing is adjourned through no fault of Sponsor, an additional fee of $500 for each such adjournment to help defray the cost of preparing for and coordinating the new closing; (iv) if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of $1,000, payable in advance, for preparation of an assignment agreement and (v) if Purchaser obtains title insurance from a title insurance company other than Commonwealth Land Title Insurance Company and Sponsor incurs additional legal fees and expenses as a result of the requirements of such title insurance company, the Purchaser will reimburse Sponsor at closing for the amount of such additional legal fees and expenses so incurred. Please refer to the Section of the Plan entitled "Closing Costs and Adjustments" for further details.

25. It is presently contemplated, and the Budget for the First Year of Condominium Operation provides, that a uniformed Lobby Attendant will be on duty at the Lobby of the Building twenty-four (24) hours a day, seven (7) days a week. The Lobby Attendant's hours of duty may be reduced until title to fifty (50%) percent of the Residential Units have been conveyed to Purchasers under the Plan, provided, however, that there will be at least one (1) Lobby Attendant on duty . Please refer to the Budget for the First Year of Condominium Operation set forth as Schedule B to the Offering Plan for further details.

26. Purchasers should note that in the current real estate market, banks and other lenders may be imposing various restrictions on loans. Such restrictions include requiring that a certain percentage (50% or more) of the units in a building be sold before the lender will consider making a loan. Thus it may be possible for a Purchaser to experience difficulty obtaining a loan in a building where the percentage of units purchased is lower than a lender's particular sales minimum. Even once a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to such minimum sales requirements. Purchasers should further note that pursuant to existing Law and regulation, Sponsor may declare the Plan effective upon selling a minimum of fifteen (15%) percent of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than the minimum number of sales if purchasers counted towards effectiveness do not ultimately purchase a Unit. Please refer to the Section entitled "Effective Date" in Part I of the Plan for further details.

27. Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., Agreements signed by bona fide purchasers for 15% of the Units offered under the Plan). See the Subsection entitled "Features of Condominium Ownership" in the "Introduction" Section in Part I of the Plan for further details.

28. Sponsor may agree to modify the floor plans and finishes of certain Residential Units or to do special work or provide extras to the Residential Units if requested by individual Purchasers and agreed to by Sponsor, in writing, in its sole discretion. Unless otherwise agreed to by Sponsor, a Purchaser shall bear the cost of such modification to floor plans and finishes. All funds received by Sponsor from Purchasers for such modified or additional work in Units, as aforesaid, shall be initially placed in escrow and shall be paid to Sponsor by the escrow agent to be used by Sponsor to pay for such work. Accordingly, in the event a Purchaser becomes entitled to rescission after the release of such funds, the Purchaser shall not receive a refund of any funds used for special work or extras. Please refer to the Section of the Plan entitled "Procedure to Purchase" in Part I of the Plan for further details.

29. As is often the case in New York, the square foot areas provided in Schedule A in Part I of the Plan exceed the usable floor area of each Unit. Columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. In addition, because the dimensions listed are based on measurements from external walls, they do not accurately represent the interior space in the Unit, and may exaggerate it by as much as 10%. Please refer to Schedule A and the Notes to Schedule A in Part I of the Plan for further details.

30. The Contingency provided for in the Projected Budget for the First Year of Condominium Operation (Schedule B) is intended to provide a fund for unanticipated expenses not included in the budget and, for increases in operating expenses above the amounts projected. No other reserve fund for capital expenditures has been established. The Contingency is not intended and may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If funds are required to meet such costs, it may be necessary to increase

monthly Common Charges or institute a special assessment of Common Charges. There are no limitations as to how the Working Capital Fund may be employed during any period, including the period that Sponsor controls the Condominium Board (see the Section entitled "Control By Sponsor"). See the Section of the Plan entitled "Working Capital Fund" for further discussion.

31. As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" Sponsor is obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Without limiting the generality of the foregoing, Sponsor hereby disclaims any and all express or implied warranties as to view, light quality, sound and/or odor transmission, the existence of molds, mildew, spores, fungi and/or other toxins within the Condominium. Sponsor has not given and Purchaser has not relied on or bargained for any such warranties. In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan will control. In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). See the Section entitled "Rights and Obligations of Sponsor" under the Subsection entitled "Sponsor's Obligations With Respect to the Building" in Part I of the Plan for further discussion.

32. The Condominium Board, at the request of Sponsor or the Commercial Unit Owner, will enter into a recognition agreement with any tenant with which Sponsor or the Commercial Unit Owner has entered into a lease for all or any portion of the Commercial Unit. Under the terms of the recognition agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Board will agree that the rights of the tenants under the lease(s) will not be disturbed in the event of a default by the Commercial Unit Owner. Please refer to the Section of the Plan entitled "Commercial Unit" for further details.

33. In order to meet the possible varying demand for number and type of Residential Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Residential Unit, (b) change the size and/or number of Unsold Residential Units by dividing one or more such Units into two or more separate Unsold Residential Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Unsold Residential Units, altering any boundary walls between one or more Unsold Residential Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit (without changing the Common Interests), (c) designate a Common Element as part of a newly created or expanded Residential Unit or Commercial Unit or designate all or part of a Residential Unit or a Commercial Unit as a newly created or expanded Residential Unit, Commercial Unit, Residential Common Element, Commercial Common

Element or Limited Common Element and (d) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. 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. After the Condominium Documents have been recorded any such amendment to the Plan will also require an amendment to the Condominium Documents. Sponsor may not change the size, location of the building or Units or other improvements or Common Elements if such changes affect the percentage of Common Interests or adversely affect the value of any unit to which title has closed or for which an Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change. Please see the Section of the Plan entitled "Changes in Prices and Units" for further details.

34. Each Purchaser will be obligated to enter into a power of attorney at the closing of title to the Unit (the "Power of Attorney"). The form of Power of Attorney, set forth in Part II of the Plan, grants broad powers to the Condominium Board to enter into agreements affecting the General Common Elements and Residential Common Elements, as the case may be. The Power of Attorney also grants to Sponsor certain rights, including the right to amend the Condominium Declaration with respect to Unsold Residential Units and the Commercial Unit. Please refer to the form of Power of Attorney set forth in its entirety in Part II of the Plan.

35. The Building is located in the Ladies Mile Historic District and is governed by the provisions of Title 25, Section 3, Sections 25-301 et seq., formerly known as Chapter 8-A, of the Administrative Code of the City of New York entitled "Landmarks Preservation and Historic Districts" pursuant to Notice of Designation dated October 8, 1989, recorded October 13, 1989 in Reel 1628 page 1160. This designation imposes special restrictions upon the construction, alteration, demolition and reconstruction of the Building, including the replacement of windows. In the event any such construction, alteration, demolition or reconstruction of the Building would affect the exterior of the Building, the Condominium will have to apply to the Landmarks Preservation Commission ("LPC") for permission to perform such work. LPC, before approving the work could impose additional requirements or conditions which could increase the cost and time required to complete the work. In addition, where proposed work in the Building requires a building permit, notwithstanding the fact that such work does not affect the protected exterior of the Building, the LPC requires that a "certificate of no effect on protected architectural features" be issued. In connection with its approval of the Sponsor's plans and specifications for the Condominium, LPC required Sponsor to enter into a Declaration of Restrictions to establish a requirement for continuing maintenance for the Building (the "Continuing Maintenance Program") that will result in preservation of the Building. Under the terms of the Declaration of Restrictions, an inspection (the "Periodic Inspection") must be made every five years. The Periodic Inspection must be performed by a preservation architect, engineer or other qualified person knowledgeable about the preservation of historic structures (the "Preservation Architect") selected from a list prepared by the Owner of the Building (Sponsor as to the initial inspection and thereafter the Condominium Board as to any updates) and approved by the Chairperson of the LPC as to credentials. Under the terms of the Declaration of Restrictions, the Preservation Architect must make a thorough inspection of the exterior of the Building and those portions of the interior which, if not properly maintained, could affect the condition of the exterior. The cost of performing the Periodic Inspection shall be borne by all Unit Owners as a Common Expense.

The Condominium Board must also undertake, as a Common Expense, any work identified as needed as the result of the Periodic Inspection and any Local Law 11 Reports. Please refer to the Declaration of Restrictions set forth in Part II of the Plan for the complete terms thereof.

36. On December 9, 2003, the LPC voted in a public meeting to approve restoration of the façade by the Sponsor, including cleaning, paint removal, repointing, selective repairs to deteriorated limestone using proprietary patching compounds, the recreation of two missing cornices, and repairing and repainting the historic cast iron shutters at the rear of the Building. Such approval is evidenced in the letter issued by the LPC on March 30, 2004 (the "LPC Letter"). A Certificate of Appropriateness needed for such restoration was issued by the LPC on March 30, 2004 under Docket No. 045053. A Certificate of No Effect was also issued by the LPC on March 30, 2004 under Docket No. 045305. A copy of the LPC Letter, Certificate of Appropriateness and the Certificate of No Effect is set forth as Exhibit 23 in Part II of the Plan entitled "Façade Restoration Approvals".

37. There is available for the Property under the Zoning Resolution of the City of New York additional development rights (the "Development Rights") totaling 51,520 square feet of floor area, 45,887 square feet of which shall have been utilized upon completion of the Penthouse addition. Therefore, approximately 5,633 square feet of air or development rights will be available for the Property upon completion of the construction of such addition, which shall be retained by Sponsor. Please refer to the "Description of Property" section in Part II of the Plan for further details.

38. Recreation areas will be provided on the roof over the 10th Floor and on the roof over the 11th Floor for the use of occupants of the Residential Units. The Cellar will contain a community room/exercise facility in the Cellar for the use of occupants of the Residential Units. Terraces appurtenant to certain Residential Units, as described in Schedule A and the Floor Plans set forth in Part II of the Plan, will be Residential Limited Common Elements. Where a Terrace has been designated as a Residential Limited Common Element appurtenant to a Residential Unit, the Residential Unit Owner thereof will have the exclusive use of same, subject to the rights of the Board to regulate its use and subject to rights of access to the Terrace (as set forth in the Declaration and By-Laws) for maintenance, repair and replacement and other uses. A Residential Unit Owner shall be responsible for all normal maintenance, repairs and replacements to the Terrace appurtenant to such Unit Owner's Residential Unit. However, the costs and expenses of any structural repairs or repairs or replacements caused by the need for such structural repairs to any Terrace (unless caused by its Residential Unit Owner), shall be charged to all Residential Unit Owners as a Residential Common Expense. The chiller and other mechanical equipment necessary for the maintenance and operation of the Building and the Units will be located on the roof. The Condominium Board will be responsible for ensuring that the mechanical equipment is operated in accordance with Law, including requirements governing acceptable levels of noise and odor emissions. Sponsor is not responsible for nor can make any guarantees regarding the level or noise or odors resulting from the operation of the Building or the Units or the degree of privacy which will be afforded to Unit Owners on their Terraces. In addition, Sponsor shall have, and the Units and Common Elements shall be subject to, an easement to use the Common Elements of the Building other than those portions which comprise Residential Limited Common Elements for any lawful purposes including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding,

restoring and replacing satellite dishes and other communication equipment and similar equipment on the roofs and facade of the Building and elsewhere on the Common Elements and within the conduit and other Facilities relating thereto and (b) maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation, maintenance, repair, alteration, rebuilding, restoration or replacement thereof; provided that access to any Unit or Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Section or with the use of the Residential Units for their permitted purposes. The aforementioned easements may be used by Sponsor for its own account or the account of any designee, assignee, tenant, licensee or other transferee of Sponsor or any purpose permitted by Law and shall remain in effect after the Sponsor Control Period and after the Sponsor no longer owns any Units in the Building. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor for the use of the aforesaid easements or equipment. Any satellite dishes or other facilities placed upon the roof or facade of the Building or elsewhere on the Common Elements by Sponsor or its designee, assignee, tenant, licensee or other transferee shall be the exclusive property of Sponsor, its designee, assignee, tenant, licensee or other transferee and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Easements" for further details.

39. It is the responsibility of each Residential Unit Owner to notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Residential Unit. It is the responsibility of each Residential Unit Owner to install, at such Unit Owner's expense, the required window guards in all windows of the Residential Unit. The Residential Unit Owner shall maintain all window guards installed in the Residential Unit and shall not remove same until permitted by applicable Law and in any event, without full knowledge of the Managing Agent. Sponsor makes no representations whether Residential Unit Owners will comply with the foregoing obligations. See "Rights and Obligations of Unit Owners and the Board of Managers" for further details.

40. There is no provision for a specific reserve fund for the Condominium for the purpose of paying the cost of future capital repairs, replacements or improvements to the Premises (except that each Purchaser of a Unit shall pay into the Working Capital Fund of the Condominium a sum of equal to one (1) month of Common Charges for the Unit being purchased). Therefore, Unit Owners shall be obligated to pay their share of the cost of repair, replacements and improvements to the Common Elements as the need for the same arises, unless there are sufficient Working Capital or other funds available. See the Section entitled "Reserve Fund" in Part I of the Plan for further details.

In addition, Unit Owners shall be deemed "owners" of their respective Units with the obligation to comply with the requirements of Local Law 38 of 1999 regarding lead-based paint, if and to the extent the validity of such law is upheld by the courts. See "Rights and Obligations of Unit Owners and the Board of Managers."

41. The proposed insurance coverage for the first year of Condominium operation does not include terrorism insurance, which is typically not maintained in the City of New York

for residential buildings. There is no assurance that such insurance will be available in the future or at a price that the Condominium Board would be prepared to spend. It can be reasonably anticipated that without terrorist insurance, in the event of a terrorist attack, the Property would not be insured or would have insufficient insurance to rebuild or repair any damage and Unit Owners could be assessed to cover the costs of restoration and failure to pay such assessment could lead to a foreclosure of the Unit. Purchasers should further note that the insurance coverage maintained on behalf of the Condominium does not cover the individual Units or any Unit or any property contained in a Unit (including without limits, windows facing into each Unit which comprise part of the Unit). Pursuant to the By-Laws, each Residential Unit Owner will, at the Residential Unit Owner's own cost and expense, obtain and keep in full force and effect (a) commercial personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any Limited Common Element appurtenant thereto or any part thereof, with minimum combined single limits of liability of $1,000,000 for bodily injury or death arising out of any one occurrence including $1,000,000 for damage to property plus at least $5,000,000 umbrella liability coverage and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage as well as personal property). The limits of liability and other requirements with respect to the Unit Owner's insurance may be modified by the Condominium Board from time to time. See the Section entitled "Rights and Obligations of Unit Owners and the Boards of Managers" under the Subsection "Insurance" for further details.

42. While Unsold Residential Units are being constructed and offered for sale or lease by Sponsor or its designees there will be a greater number of visitors to the Residential Section than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such construction, selling or leasing activity will terminate. Neither Sponsor or its designee nor the Managing Agent shall be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Residential Section's or the Condominium's security systems and procedures, including, without limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by the gross negligence of Sponsor or its designees, the Managing Agent or their respective agents. No representation or warranty is made and no assurance is given that the security systems and procedures of the Residential Section and of the Condominium will prevent personal injury or damage to or loss of personal property. Please refer to the Section of the Plan entitled "Description of Property and Improvements" under the subsection entitled "General" for further details.

43. Sponsor makes no representations or warranties regarding building construction in the area of the Condominium or whether the existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings may be further developed and such development could adversely impact upon the views from a Residential Unit. Sponsor currently does not own any adjacent parcels and is not aware of any adjacent development. Please refer to the Section of the Plan entitled "Description of the Property" for further details.

44. The By-Laws provide that each Unit and all portions of the Common Elements will be kept in first-class condition (and with respect to any roof or other part of the Property

exposed to the elements, free of snow, ice and accumulation of water to the extent same will cause damage to the Building) by the Unit Owner or appropriate Board, whichever is responsible for the maintenance thereof. In the event a Unit Owner fails to keep such Unit Owner's Unit in such condition, the appropriate Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the subsection entitled "Rights of Access"). Each Unit Owner will be obligated to heat and cool such Unit Owner's Unit so as to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units, including, without limitation, freezing pipes, damage to wood floors and moldings which typically need to be maintained at a constant humidity (which at a constant room temperature of 68°F is a relative humidity of approximately 50-60%) to prevent shrinkage and expansion which can damage the floors and moldings. In the event a Unit Owner fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

45. All determinations with respect to the continuance of services provided to the Residential Section, if initially made available, will be made by the Condominium Board, which will be controlled by Sponsor during the Sponsor Control Period as described in the Section of the Plan entitled "Control by Sponsor." Please refer to the "Description of Property" set forth in its entirety in Part I of the Plan under the subsection entitled "Services and Facilities" for further details regarding services and facilities at the Property.

46. The Building was initially constructed and used as loft space for commercial and manufacturing purposes. There is limited light and air available for habitable rooms. As set forth in the Description of the Property in Part II of the Plan, there are lot line windows on the west elevations of the Building. Purchasers should note that if a Building is constructed on a neighboring parcel, or if an addition is constructed on an existing neighboring building, the lot line windows (which are located in each of the Residential Units as noted on the Floor Plans for each of the Residential Units), which are within 30 feet in a direct line (whether horizontally, vertically or diagonally) of such neighboring building, will have to be permanently closed and covered from the interior side with sheet rock. The obligation to permanently close the windows and the cost therefor, will be borne by each Unit Owner. Sponsor estimates the cost therefor to be approximately $1,000 per window. In the event that any windows must be covered as aforesaid, space within a Residential Unit, which had previously been used as a separate bedroom, may no longer be legally utilized as such. Sponsor has no actual knowledge of any plans by owners of neighboring buildings to either construct a new building or to increase the height of any existing building although Sponsor makes no representations or guarantees with respect thereto. Please refer to the "Description of Property" in Part II of the Plan for further details regarding the windows.

47. If Purchaser obtains a mortgage loan for the purchase of the Residential Unit (the "Purchase Money Mortgage"), the Purchaser will pay to Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s). Alternatively, Sponsor may require, in its sole discretion, that a Purchaser who is financing the purchase of said Unit with a Purchase Money Mortgage, must cause the lender making such loan to accept from the

Sponsor an assignment of a portion of any mortgage securing the Property in an amount up to the Purchase Money Mortgage as determined by Sponsor. Upon such assignment, that portion of the Purchase Money Mortgage assigned by Sponsor, will be exempt from mortgage recording tax under Section 255 of the Real Property Tax Law. Sponsor shall be solely entitled to the benefits of such exemption and accordingly, Purchaser must pay to Sponsor an amount equal to the mortgage recording tax which would have otherwise been due in connection with the recording of the Purchase Money Mortgage. (See the Section entitled "Closing Costs and Adjustments" in Part I of the Plan for further details).

48. The By-Laws provide that the Condominium Board has the right, but not the obligation to require that before any Condominium Unit is conveyed to a government or governmental mission, or to a department, agency or consulate of a government, or to any other party who or which may be entitled under applicable laws, conventions or treaties (including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable), from any legal or equitable proceedings in the United States of America or elsewhere, may occur or be valid or effective, the Condominium Board may require that certain additional conditions be satisfied. Specifically, the Condominium Board may require that the potential grantee enter into an agreement with the Condominium Board, on terms acceptable to the Condominium Board and its counsel, in which the potential grantee (i) agrees to a specified arrangement for service of process, (ii) expressly and irrevocably waives, to the full extent permitted by law (including, without limitation, the United States Foreign Sovereign Immunities Act, as same may be amended), with respect to the potential grantee, and with respect to any and all other intended occupants of the Unit, any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise, (and diplomatic and consular immunity, if applicable) from any legal or equitable proceedings in the United States of America or elsewhere, brought by the Condominium Board or any other party claiming with respect to the Unit (including without limitation, immunity from service of process, immunity from jurisdiction of any court or tribunal, and immunity of any of that party's property from attachment prior to entry of judgment and from attachment in aid of execution, and from execution itself, upon a judgment), (iii) agrees that any legal action or proceeding with respect to the Unit may be brought in the courts of the State of New York, and in the City of New York, or in the United States District Court for the Southern District of New York, as the Condominium Board shall elect, and (iii) permits execution and enforcement of any judgment obtained by the Condominium Board. The foregoing provisions do not apply to sales of Unsold Residential Units. Please refer to the By-Laws in Part II of the plan for further details.

49. Purchasers are advised that there is no laundry room planned in the Building. Sponsor will provide washer/dryers in each Residential Unit. Please refer to the "Description of Property" in Part II of the Plan for further details.

50. It is anticipated that electricity for the Building will be provided by Consolidated Edison Company or such other utility company providing electricity to the Building. The electricity consumed by each Unit will be separately metered and paid for by the individual Unit Owners. All electricity supplied to the General Common Elements of the Building will be separately metered and accounted as part of the Common Charges payable by all Unit Owners.

Purchasers are advised that utility costs may increase dramatically during certain periods and there is no guaranty that the utility costs will be as estimated in the Plan given the current energy situation. Please refer to "Schedule B- Projected Budget for First Year Of Condominium Operation", Schedule B-1 – Projected Energy Costs" in Part I of the Plan and the "Description of Property" in Part II of the Plan for further details.

51. Sponsor has reserved the right to rent or lease any Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion or to use or offer the Unsold Units for any lawful purpose, including, without limitation, interval ownership. Except where otherwise prohibited by Law, certain Units may be occupied under short term leases. Accordingly, residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. As a consequence, a Unit Owner seeking to resell or refinance a Unit may experience difficulty. In addition, residents of the Condominium who are not Unit Owners have no investment in their Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e. purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. Please refer to the section of the plan entitled "Rights and Obligations of Sponsor" for further details.

52. New York City Local Law 7 of 2004 requires the installation of carbon monoxide detectors by owners of multiple dwellings, including owners of units in residential condominiums. Sponsor intends to provide carbon monoxide detectors in each Unit in accordance with New York City Local Law 7 of 2004. Each Unit Owner will be responsible to keep and maintain the carbon monoxide detectors in good repair and to replace any carbon monoxide detectors which has been stolen, removed, found missing or rendered inoperable. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations. For further details see Part I of the Plan under the Section "Rights and Obligations of Sponsor."

INTRODUCTION

Strategic Chelsea LLC, a Delaware limited liability company ("Sponsor"), hereby presents this offering plan (the "Plan") for the conversion to condominium ownership of the land (the "Land") together with the building erected thereon known as and having a street address of 15 West 20th Street, New York, New York 10011, (the "Building") containing seventeen (17) residential units (the "Residential Units"), and one (1) commercial unit (the "Commercial Unit"). The Land and the Building are collectively referred to herein as the "Property." The condominium will be known as "Altair 20" and is herein called the "Condominium" in the Plan.

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of seventeen (17) Residential Units to Purchasers. Sponsor is retaining and is not offering for sale the one (1) Commercial Unit located on portions of the Cellar and Ground Floor of the Building. In the event these Units are transferred as aforesaid, Sponsor will amend the Plan to disclose such transfer(s). Sponsor reserves the right to divide the Commercial Unit without amendment to the Plan and to offer the Commercial Unit for sale by amendment to this Plan. Sponsor may from time to time amend or supplement the Plan by filing an amendment with the New York State Department of Law (the "Department of Law") and serving such amendment on Purchasers and Unit Owners, commercial and/or professional tenants, as well as any other "offerees", as such term is defined in Section 20.1(c) of Title 13 NYCRR. To the extent not previously disclosed in the Plan, Sponsor will amend the Plan when the Plan is declared is effective by amendment to disclose (i) the percentages of common interest, (ii) the approximate number of units that will be built and (iii) the timetable for completing the units..

The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property, certifications of Sponsor and Sponsor's architect, certifications of an expert selected by Sponsor concerning the adequacy of the budget for the first year of Condominium operation and certain agreements to which the Condominium will be bound. In addition, Sponsor has filed exhibits to the Plan with the Department of Law, which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information). The Plan, including all Schedules set forth herein and Parts A, B, C and D of the exhibits, constitutes the entire offer of Sponsor. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge at Sponsor's office and for inspection and copying at reasonable fees at the offices of the Department of Law and may be borrowed from Sponsor upon payment of a one hundred ($100) dollar deposit, which amount will be fully refunded upon either (i) the prompt return of all borrowed materials in good condition or (ii) the execution by the borrower of an Agreement subsequently accepted by Sponsor. All of these documents are important and should be carefully read by prospective purchasers. Prospective purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. Prices of Units are not subject to approval by the Department of Law or any other government agency. All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Certain Definitions," unless otherwise indicated.

The Condominium

On or about May 19, 2004, Sponsor acquired fee title to the Land and related structures thereon. The Building was previously used for commercial purposes and is currently vacant of all tenants. The Building contains one (1) below-grade level (the "Cellar"). There are currently nine (9) stories above grade. Sponsor will construct two (2) additional stories which will be built above the existing structure. Upon completion of construction, the floors in the Building will be named (from bottom to top): Cellar, Ground Floor and Floors 2 through 11.

As more particularly described herein, the Building will include (a) a Residential Section containing the Residential Units, the Residential Common Elements and the Residential Limited Common Elements, and (b) a Commercial Section, which will contain the Commercial Unit and the Commercial Common Elements.

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

There will be available to occupants of the Residential Section, certain luxury apartment type services, including, but not limited to, 24-hour doorman service, automatic elevator service, cable television service, security systems and communication facilities. Sponsor does not warrant or guarantee that all of the foregoing services will be available until the earlier to occur of the closings of title to fifty (50%) percent of the Residential Units or the second anniversary of the First Closing.

The Commercial Section will initially include the Commercial Unit located on portions of the Cellar and Ground Floor. The Commercial Unit may include retail stores, commercial and professional offices, restaurants, banks, storage space or any other legal uses. The Commercial Unit will be serviced by a venting flue for use in the event the Commercial Unit is used as a restaurant. Therefore, the use of the Commercial Unit may generate noise, traffic, fumes or other disturbances over which the Residential Unit Owners will have no control.

Features of Condominium Ownership

The ownership of a Residential Unit is similar in many respects to the ownership of a private home. Each Residential Unit Owner owns fee title to such Unit Owner's Residential Unit and is entitled to the exclusive possession thereof and the exclusive use of the Residential Limited Common Elements (for example, Terraces appurtenant to certain Residential Units), if any appurtenant to such Residential Unit Owner's Unit subject to certain limitations more particularly described below. A Residential Unit Owner also owns, in common with the owners of all other Residential Units, an undivided interest in (and right to use) the Residential Common Elements, and, in common with the owners of all other Units, an undivided interest in (and right

to use) the General Common Elements. Each Residential Unit and the fixtures and personal property contained therein are being sold and delivered as described in the Plan. See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.

Certain Residential Unit Owners have exclusive use of Terraces appurtenant to their Residential Units (subject to the rights of the Board and Sponsor regarding access and use as more particularly described in the Declaration and By-Laws), and such Unit Owners are responsible for all normal maintenance, repairs and replacements thereto. Terraces appurtenant to Residential Units are shown on the Residential Unit Floor Plans included in Part II of the Plan. However, the costs and expenses of any structural or extraordinary repairs or replacements to any Terrace (unless caused by a Residential Unit Owner) shall be charged to all Residential Unit Owners as a Residential Common Expense. The type, size and quantity of plantings and other installations to be placed on Terraces and the rights of Unit Owners to paint and decorate Terraces shall be subject to the prior written approval of the Condominium Board.

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

A Residential Unit Owner may decorate the interior of such Unit Owner's Residential Unit in any way desired except as otherwise provided herein, subject to compliance with the By-Laws, the Rules and Regulations and Law, and will be solely responsible for the cost of maintenance and interior repairs to such Unit Owner's Residential Unit after Closing. The Condominium Board may not limit or restrict the rights of the Commercial Unit Owner to decorate the Commercial Unit.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and after the Units have been separately assessed for taxes, no Unit Owner will be responsible for the payment of, nor will such Unit Owner's Unit be subjected to any lien arising from the non-payment of, real estate taxes on other Units. Please refer to the opinion of Stroock & Stroock & Lavan LLP, counsel to Sponsor, set forth in full in Part I of the Plan, for a discussion regarding the deductibility for federal, New York State and New York City income tax purposes, of real estate taxes and the interest paid on a mortgage, if any, on a Residential Unit.

With certain exceptions (for example, Sponsor and the owner of any Unsold Residential Units are not required to give the Condominium Board a right of first refusal with respect to any Unsold Units), any sale or lease of a Residential Unit, will be subject to a right by the Condominium Board to acquire or lease such Residential Unit or to produce a third party to acquire or lease such Residential Unit on the same terms as agreed to by the owner of such Residential Unit and the proposed transferee. Other than exercising its right of first refusal the Condominium Board has no right to approve or disapprove purchasers and the By-Laws contain no requirement that such Purchasers be owner occupants of the Condominium. There is no limit on the number of purchasers who may purchase for investment rather than personal occupancy. Accordingly, there may always be a substantial percentage of owners who are non-residents.

The Commercial Unit Owner may sell or lease all or any portion of the Commercial Unit, without any restriction or limitation imposed pursuant to the Declaration or the By-Laws. For a more complete discussion of the foregoing, see the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled "Sales and Leases of Units."

The Condominium Board will be responsible for deciding all matters concerning the Condominium. Residential Unit Owners will have the right to vote for members of the Condominium Board and the Commercial Unit Owner will have the right to designate members of the Condominium Board. Sponsor will control the Condominium Board during the Sponsor Control Period. Please refer to the Sections of the Plan entitled "Control by Sponsor" and "Board of Managers" in Part I of the Plan for further details.

Sponsor currently intends to sell the Units under the terms of the Plan. However, under the terms of this Plan, Sponsor and the owners of the Commercial Unit and any Unsold Residential Units have reserved the right to rent or lease any Commercial Unit or the Unsold Residential Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion or to use or offer the Commercial Unit and the Unsold Residential Units for any lawful purpose. Except where otherwise prohibited by Law, certain Residential Units may be occupied under short-term leases. Accordingly, residents of the Condominium may be comprised of both Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Accordingly, it is possible that a significant proportion of Residential Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Residential Unit Owners. As a consequence of the foregoing, a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. In addition, residents of the Condominium who are not Unit Owners have no investment in their Residential Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment). Because Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium.

As more particularly set forth in the By-Laws, the Boards will have the authority to manage the Condominium, and the Unit Owners will have the right to vote for the members of the Boards. As more particularly set forth in the By-Laws and in accordance with the Condominium Act, Sections 339-i and -m, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Unit Owners for Common Charges to meet Common Expenses. Common Charges shall also be deemed to include any special assessment imposed by the Condominium Board. Such charges will be assessed against Unit Owners in proportion to their respective Common Interests except as otherwise determined by the Condominium Board in accordance with the Condominium Act, Sections 339-(i) and (m). As set forth in Schedule B - "Projected Budget for First Year of Condominium Operation" the

Commercial Unit Owner shares the costs for certain expenses based upon their Common Interests and bear the cost of other expenses based upon estimated use. Other costs such as the costs for the gas heat and hot water, cooking gas, and water and sewer and are not borne at all by the Commercial Unit Owner because such utilities and/or services are either separately metered or not used by the Commercial Unit Owner. Please refer to Schedule B and the Section of the Plan entitled "Commercial Unit" for further details. Purchasers should note, however, that in view of the current energy situation, and the fact that energy costs have fluctuated greatly, it is not possible to predict with any certainty whether the budgeted amount for energy costs will be sufficient to pay for the actual costs incurred in the first year of Condominium operation.

The cost of improvements, repairs, replacements, alterations and additions to the Residential Common Elements, which are part of the Common Expenses, will be determined by the Condominium Board and assessed against all Residential Unit Owners in proportion to their respective Residential Common Interests. The estimated Common Charges for each Residential Unit for the first year of condominium operation are set forth in Schedule A. The Condominium Board also will be responsible for collecting all sums necessary to meet the obligations of the Commercial Section including, without limitation, payment of its pro rata share of Common Charges.

After the closing of title to a Residential Unit, a Residential Unit Owner will be solely responsible for maintaining casualty insurance with respect to the Unit including its fixtures, equipment and personal property and improvements and betterments situated within and constituting a part of such Unit Owner's Residential Unit, as well as liability insurance with respect to occurrences in or about such Unit Owner's Residential Unit. The By-Laws require that each Unit Owner maintain such insurance coverage. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. All Unit Owners must comply with the terms of the Declaration, By-Laws, Rules and Regulations, Alteration Agreement and any other requirements of the Condominium Board. See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" for a more complete discussion of the foregoing.

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

Sponsor financed the acquisition of the Property and is financing the construction of the Building with Commerce Bank, N.A. (the "Lender"). The mortgage loans (the "Mortgage Loans") are in a total aggregate amount of $18,900,000. While Sponsor currently intends to sell all of the Residential Units in Altair 20, Sponsor has reserved the right to stop marketing such Units and there is no restriction under the Mortgage Loans on the right of the Sponsor to rent Unsold Units. The Mortgage Loans do provide for minimum "release" prices as a condition to the Lender releasing the liens of the Mortgage Loans from each Unit upon the sale thereof.

The Condominium Board does not have the right to approve or disapprove purchasers, and as a result, there is no limit on the number of owners who may purchase a Unit for investment rather than for personal occupancy, and there may always be a substantial percentage of Unit Owners who are non-residents.

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

Offering of Units for Sale

Sponsor hereby offers seventeen (17) Residential Units to Purchasers for sale under the Plan. The prices for each of the Residential Units offered under the Plan are listed in Schedule A entitled "Purchase Prices and Related Information for the Projected First Year of Condominium Operation." THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY ANY GOVERNMENTAL AGENCY.

The estimated Common Charges for each Residential Unit for the First Year of Condominium Operation are also set forth in Schedule A.

Each purchase of a Residential Unit will entitle the Residential Unit Owner to the exclusive use of a Storage Bin at the Property. Sponsor will allocate the Storage Bins to each Purchaser at or prior to Closing. Until such time as Sponsor no longer owns any Residential Units, Sponsor will be responsible for allocating Storage Bins to Purchasers and Residential Unit Owners.

The Storage Bins will be constructed of steel woven wire and will be generally contain approximately twenty-five (25) to twenty-nine (29) square feet of area, with some variation among the Storage Bins. Purchasers are advised that based upon the status of construction of the Building, the Storage Bins may not be available for use at the time of the closing of title to the Residential Unit, and a Purchaser will be required to close title to the Residential Unit and pay the balance of the Purchase Price therefor notwithstanding any delay in completion of the Storage Bins. The Storage Bins are located on a below grade level of the Building and Sponsor cannot make any representation that the Storage Bins will remain dry or will not experience any water infiltration and neither the Sponsor nor the Board will be responsible for any damage to items placed in the Storage Bins. Residential Unit Owners who place items in the Storage Bins

do so at their own risk and Purchasers are advised to consult with their insurance brokers regarding appropriate coverage for such stored items. Set forth in Part II of the Plan is the form of Storage Bin License to be executed by the Purchaser and the Condominium Board at Closing.

The Storage Bin License may only be assigned by the storage bin licensee to a party simultaneously acquiring a Residential Unit or to another Residential Unit Owner. In the event a storage bin licensee elects to terminate a Storage Bin License or sells its Residential Unit and does not assign same to another Residential Unit Owner or a person acquiring a Residential Unit, the rights to the Storage Bin in question will devolve to the Condominium Board which shall have the right to issue a new Storage Bin License to another Residential Unit Owner in its sole discretion. In addition, Residential Unit Owners can only lease their respective Storage Bins to other Residential Unit Owners in the Building after obtaining the consent of the Condominium Board thereto.

Additionally, at Closing, each Purchaser of a Residential Unit will be required to make a contribution to the Working Capital Fund of the Residential Section. Such contribution, to be made at the time of Closing of the Residential Unit, shall be in an amount equal to one (1) month's Common Charges in effect at the time of closing for each Residential Unit purchased. (See the Section entitled "Working Capital Fund and Apportionments").

In addition to the payment of Common Charges, each Residential Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against such Unit Owner's Residential Unit, interest and amortization payments on the mortgage, if any, which such Purchaser may, at such Purchaser's option, obtain, and charges for electricity consumed in such Unit Owner's Residential Unit and the costs for telephone, cable and similar services.

The charges for electricity consumed by each Unit Owner individually will be separately metered and billed directly to such Unit Owner by Con Edison. Water charges and sewer rents, assessed by The City of New York, will be billed to the Residential Section as a Common Expense. The costs and expenses of central gas heat and gas for cooking with respect to the Residential Section, will be included in Common Charges; Unit owners will be required to pay charges for electricity consumed for air conditioning for each Unit. Gas and water and sewer provided to the Commercial Unit will be separately metered. Schedule A sets forth estimates of the amounts of real estate taxes which will be payable with respect to each Residential Unit. See the Notes to Schedule A with respect to the bases of such estimates.

CERTAIN DEFINITIONS

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

"Agreement" refers to the agreement to purchase a Residential Unit pursuant to the Plan, the form of which is set forth in Part II of the Plan.

"Board" refers to the Condominium Board.

"Building" refers to the structure and improvements including above and below grade segments, known as 15 West 20th Street, New York, New York 10011 in which the Units of the Condominium are located.

"By-Laws" refers to the By-Laws governing the operations of the Condominium, the form of which is set forth in Part II of the Plan.

"City Register's Office" refers to the New York County office of the Register of The City of New York.

"Closing" refers to the time, place and procedure by which fee title to a Residential Unit is conveyed to a Purchaser pursuant to a fully executed Agreement.

"Closing Date" refers to the date on which Closing occurs.

"Commercial Common Elements" refers to those Common Elements, which serve or benefit exclusively the Commercial Unit and/or the Commercial Unit Owner, as more particularly defined in the Declaration.

"Commercial Section" refers to the Commercial Unit, the Commercial Common Elements.

"Commercial Unit" refers to the Commercial Unit located on portions of the Cellar and Ground Floor of the Building and to the extent the Commercial Unit is further divided, the Commercial Unit shall refer to all of the Units resulting from the subdivision of the Commercial Unit.

"Commercial Unit Owner" refers to the owner or owners of the Commercial Unit. In the event the Commercial Unit is subdivided, Commercial Unit Owner shall refer to all owners of Units resulting from the subdivision of the Commercial Unit.

"Common Charges" refers to the assessments payable to the Condominium Board by all Unit Owners for the purpose of meeting Common Expenses.

"Common Elements" refers to the General Common Elements, the Residential Common Elements, the Residential Limited Common Elements and the Commercial Common Elements.

"Common Expenses" refers to the costs and expenses incurred or projected in connection with the Maintenance of the Common Elements, as more particularly defined in the Declaration.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the General Common Elements appertaining to each Unit determined in accordance with the Declaration.

"Condominium" refers to Altair 20.

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

"Condominium Board" refers to the overall board of managers of the Condominium comprised of representatives of the Residential Unit Owners and of the Commercial Unit Owner.

"Declaration" refers to the instrument creating the Condominium, as the same may be amended from time to time, the form of which is set forth in Part II of the Plan.

"Department of Law" refers to the New York State Department of Law.

"Emergency" refers to any situation where the person taking the actions, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any material portion of the Building or Property, (ii) to protect any person from harm, or (iii) to avoid the unforeseen and unforeseeable suspension of any necessary material service in or to the Building or the Property, the failure of which service would have a material and adverse effect on the Building or Property.

"First Closing," or words of similar import, refers to the date of the first closing of fee title to a Residential Unit to a Purchaser pursuant to the Plan.

"Floor Plans" refers to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Real Property Assessment Department of The City of New York and filed with the City Register's Office.

"General Common Elements" refers to those portions of the Land and the Building, designated for the common use of all Units, as more particularly defined in the Declaration.

"Land" refers to the parcel of land described in Exhibit A to the Declaration.

"Law or Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property, the Land, the Building, and Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to law, and the requirements and conditions of any easement, covenant,

restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"Limited Common Elements" refers to those portions of the Land and the Building, designated for the use of one or more but not all Units, as more particularly defined in the Declaration.

"Managing Agent" refers to the managing agent or manager of the Building at the time in question.

"Maintenance or Maintain" refers to the maintenance, repair, reconditioning, refurbishing, reconfiguration, inspection, testing, cleaning, improvement, decorating, painting, installation, alteration, addition, reconstruction, construction, demolition, restoration and replacement as and when necessary or desirable of any portion of the Building.

"Offeree" refers to (a) each Purchaser who has executed and delivered an Agreement for a Residential Unit and who is not in default thereunder, (b) each Unit Owner, and (c) any other person or entity who, pursuant to Law, is an offeree of the Plan.

"Permitted Encumbrances" refers to those Unit title encumbrances subject to which a Purchaser agrees to take title, as more particularly itemized on Schedule A annexed to the form of Agreement and the Specimen Title Policy set forth in Part II of the Plan.

"Permitted Mortgage" refers to a mortgage permitted to be placed upon a Unit or Units pursuant to the provisions of the By-Laws.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation, such banks and financial institutions as constitute the holders of the construction loan mortgages, if any, given by Sponsor to acquire and construct the Property.

"Plan" refers to this offering plan for the establishment of condominium ownership for the Property, as the same may be amended from time to time.

"Plans and Specifications" refers to the plans for the which (to the extent required by law) are filed with, and approved by, the Department of Buildings and other municipal agencies or authorities having jurisdiction, and any specifications prepared in connection therewith, as same may be amended from time to time.

"Property" refers to the Land, the Building and the appurtenances thereto.

"Purchaser" refers to person(s) or entity(ies) named as Purchaser(s) in an Agreement, which has been duly executed by such person(s) or entity(ies) and accepted by Sponsor.

"Recreation Space" refers to the recreation areas on the roof over the 10th Floor and on the roof over the 11th Floor, and the community room/exercise facility located in the Cellar.

"Residential Common Elements" refers to those Common Elements, which serve or benefit exclusively the Residential Units and/or the Residential Unit Owners, as more particularly described in the Declaration.

"Residential Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the Residential Common Elements appertaining to each Residential Unit determined in accordance with the Declaration. The Residential Common Interest is the basis of determining a Unit Owner's liability for a share of the Common Expenses.

"Residential Limited Common Elements" refers to those Common Elements, which serve or benefit exclusively one or more but not all the Residential Units and/or the Residential Unit Owners including, but not limited to the Terraces appurtenant to certain Residential Units, as more particularly defined in the Declaration.

"Residential Section" refers to the Residential Units, the Residential Common Elements and the Residential Limited Common Elements.

"Residential Unit" refers to any Unit designated as a Residential Unit in the Declaration, and all such Residential Units, are, collectively, referred to as the "Residential Units."

"Residential Unit Owner" refers to any owner of a Residential Unit, and all such owners are, collectively, referred to as "Residential Unit Owners."

"Rules and Regulations" refers to the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A.

"Schedule A" refers to Schedule A, "Purchase Prices and Related Information" for the Projected First Year of Condominium Operation set forth in Part I of the Plan.

"Schedule B" refers to Schedule B, "Projected Budget for First Year of Condominium Operation" set forth in Part I of the Plan.

"Selling Agent" refers to Corcoran Group Marketing, or any successor selling agent at the time in question.

"Sponsor" refers to Strategic Chelsea LLC, a Delaware limited liability company, and its successors and assigns.

"Sponsor and/or its designee(s)," "Sponsor or a designee of Sponsor" or similar terms refers to Sponsor and any designee of Sponsor.

"Sponsor Control Period" refers to the period during which members of the Condominium Board elected or designated by Sponsor constitute a majority of the members of said Board.

"Storage Bin" refers to the steel woven wire storage bins located in the Cellar which will be made available for the exclusive use of the Residential Unit Owners pursuant to Storage Bin Licenses and which constitute Residential Common Elements.

"Storage Bin License" refers to the license to be granted to a Residential Unit Owner evidencing the Residential Unit Owner's right to use a Storage Bin.

"Terrace(s)" refers to terraces and/or balconies and/or roof gardens and/or deck houses appurtenant to certain Residential Units.

"Unavoidable Delays" refers to delays due to strike, lockout, or other labor or industrial disturbance (whether or not on the part of employees or contractors of Sponsor), civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, terrorism, war, act of the public enemy, riot, sabotage, blockade, embargo, shortage of or failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body or lightning, earthquake, fire, storm, hurricane, flood, explosion, act of God or any cause similar to any of the causes hereinabove stated; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause similar to the causes stated above.

"Unit" or "Condominium Unit" refers to either a Residential Unit or a Commercial Unit as more particularly designated in the Declaration and the Floor Plans and all such Units are collectively referred to as "Units."

"Unit Owner" refers to any Residential Unit Owner or Commercial Unit Owner, and all of such Residential Unit Owners and Commercial Unit Owner are collectively referred to as the "Unit Owners."

"Unsold Residential Unit" refers to any Residential Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by (i) Sponsor, (ii) any party designated by Sponsor as a "sponsor" under the Plan (iii) any party designated by Sponsor as the owner of an Unsold Residential Unit, (iv) the holder of a Permitted Mortgage given by a Sponsor or (v) the designee of a holder of such a Permitted Mortgage.

"Unsold Unit" refers to any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor or its designee; a Unit that is acquired, individually or collectively, by a principal of Sponsor or a group of which Sponsor or one or more of the principals of any of them, is a member; or a Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Sponsor or the designee of a holder of such a Permitted Mortgage.

All other capitalized terms used in Part I of the Plan that are not separately defined in Part I shall have the meanings ascribed thereto in the By-Laws or in the Declaration, as the case may be.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Construction of the Building

The Land is situated on a parcel located between 20th Street on the north, 21st Street on the south, Fifth Avenue on the east and Avenue of the Americas on the west in the Borough of Manhattan.

The Building contains a Commercial Section, consisting of the Commercial Unit and the Commercial Common Elements and a Residential Section consisting of the Residential Units, the Residential Common Elements and Residential Limited Common Elements.

The Building, including the individual Units therein, will be substantially completed in accordance with the Plans and Specifications and all applicable zoning and building Laws and other government requirements.

Under the present construction schedule it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building which are not intended for the exclusive use of any particular Unit Owner and work, if any, which Sponsor agrees to perform in individual Residential Units at the request of Purchasers or Residential Unit Owners, the Residential Units will be substantially completed by May 1, 2006 and a first Temporary Certificate of Occupancy with respect to portions of the Building will be obtained on or about December 31, 2005 both subject to Unavoidable Delays. Sponsor does not, however, warrant or guarantee the foregoing completion or occupancy dates for the Building due to Unavoidable Delays. The first Temporary Certificate of Occupancy may issue for some but not all of the Residential Units and Sponsor may complete construction of certain Residential Units before others. Accordingly, Purchasers should be aware that they may be required to close title to their Residential Units while construction in other Units is continuing, possibly, for extended periods of time and that noise, dust and other objectionable conditions inherent in a construction site may inconvenience Residential Unit Owners after they have taken occupancy of their Residential Units.

Sponsor makes no representations or warranties regarding building construction in the area of the Condominium or whether the existing structures in the area will remain. Purchasers are advised that adjacent parcels or buildings may be further developed and such development could adversely impact upon the views from a Residential Unit. Sponsor does not own any adjacent parcels.

Sponsor has engaged Avinash K. Malhotra Architects ("Sponsor's Architect") as architects, DeSimone Consulting Engineers, PLLC as structural engineer for the Building, and Athwal and Associates as mechanical, electrical and plumbing engineers of the Building.

Sponsor financed the acquisition of the Property and is financing the construction of the Building with Commerce Bank, N.A. (the "Lender"). The mortgage loans (the "Mortgage Loans") are in a total aggregate amount of $18,900,000. While Sponsor currently intends to sell all of the Residential Units in Altair 20, Sponsor has reserved the right to stop marketing such Units and there is no restriction under the Mortgage Loans on the right of the Sponsor to rent Unsold Units. The Mortgage Loans do provide for minimum "release" prices as a condition to the Lender releasing the liens of the Mortgage Loans from each Unit upon the sale thereof.

Sponsor reserves the right to amend or modify the Plans and Specifications in any way not material to this offering or in a manner disclosed in this offering, including, without limitation, changing materials, appliances, equipment, fixtures and other construction and design details set forth therein or in the "Description of Property" set forth in Part II of the Plan and to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially equal or better quality, except that no change will be made in the size or number of Units or their respective percentages of Common Interest except by amendment to the Plan and the declaration, if applicable. None of the foregoing shall give rise to a right of rescission on the part of any Purchaser and may be made without prior notice or amendment to the Plan.

Residential Units

Subject to the rights of Sponsor and the owner of any Unsold Residential Unit to change the number of Residential Units, there will be a total of seventeen (17) Residential Units situated on Floors 2 through 11 of the Building. Descriptions of the Residential Units are set forth in the "Description of Property" in Part II of the Plan. See also the Section entitled "Changes in Prices and Units." Please refer to Schedule A, "Prices of Units and Related Information" for further details.

Except as otherwise agreed by the parties, the Residential Units will be delivered to Purchasers with a finish coat of paint. Each Purchaser will be obligated to do all other painting and decorating of the Residential Unit at such Unit Owner's own cost and expense. Any special work which a Purchaser desires for a Residential Unit prior to Closing shall only be performed following Sponsor's prior written consent thereto and Sponsor's designation or approval of all contractors and suppliers in connection therewith, which consent and approval shall be within the sole discretion of Sponsor.

Included in the sale of each Residential Unit are the following: refrigerator/freezer, kitchen cabinets, microwave, gas range, wall oven, automatic dishwasher, washing machine and dryer and individually controlled heating and cooling units. The manufacturer, model number and specifications for the foregoing appliances and equipment are set forth in the "Description of Property." As more fully set forth under the Section entitled "Description of Property and Improvements" under the Subsection entitled "Construction of the Building," these fixtures, appliances and equipment are subject to change by Sponsor. Sponsor may negotiate to make modifications or changes in any Residential Unit or to do special work therein or to provide different or additional appliances, equipment, furnishings or decorations, provided that Sponsor shall not be bound to do so unless agreed to by Sponsor in a written instrument which is incorporated as an addendum to the Agreement.

The purchase of a Residential Unit entitles the Residential Unit Owner thereof to the exclusive use of a Storage Bin located in the Cellar of the Building. The Storage Bins will constitute Residential Common Elements. The Condominium Board will be responsible for assigning the Storage Bins among the Residential Unit Owners. Residential Unit Owners will be responsible for all normal Maintenance and repair to the Storage Bins; however the costs and expenses of any structural or extraordinary repairs or replacements shall be a Common Expense charged to all Residential Unit Owners. The Storage Bins may be used in accordance with Law and only for the storage of the personal effects of the Residential Unit Owner having exclusive

access to such Storage Bin and nothing can be stored in the Storage Bins which would constitute a threat to the health or safety of the Unit Owners or other occupants of the Building or otherwise create a nuisance in the Building. The Condominium Board has the authority to promulgate rules regarding use of and access to the Storage Bins. Set forth in Part II of the Plan is the form of Storage Bin License to be executed by the Purchaser and the Residential Board at closing.

The Storage Bin License may only be assigned by the storage bin licensee to a party simultaneously acquiring a Residential Unit or to another Residential Unit Owner. In the event a storage bin licensee elects to terminate a Storage Bin License or sells its Residential Unit and does not assign same to another Residential Unit Owner or a person acquiring a Reisdential Unit, the rights to the Storage Bin in question will devolve to the Residential Board which shall have the right to issue a new Storage Bin License to another Residential Unit Owner in its sole discretion. In addition, Residential Unit Owners can only lease their respective Storage Bins to other Residential Unit Owners in the Building after obtaining the consent of the Residentail Board thereto.

Sponsor and the owner of any Unsold Residential Unit reserve the right, without prior notice or amendment to the Plan, to use Common Elements and Unsold Residential Units on any floor of the Building as sales and leasing offices and model apartments. In the event Sponsor or its designee, thereafter, elects to sell such Unsold Residential Units, Sponsor or its designee may require the purchaser thereof to purchase all or any of the furniture, furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unsold Residential Unit, such amounts as Sponsor determines together with any sales tax due in connection therewith.

A Residential Unit Owner may only use such Unit Owner's Residential Unit for a purpose consistent with the local zoning ordinance, as amended from time to time, any other applicable ordinance or statute, and any regulation of a governmental authority with jurisdiction over the Condominium, including, but not limited to, local building codes and the Multiple Dwelling Law, as such statutes, ordinances and regulations may be amended from time to time, but in no event may a Residential Unit Owner use such Unit Owner's Residential Unit for a use violative of the By-Laws.

Resident Manager's Apartment

There is no Residential Unit designated as a superintendent's apartment in the Building. Sponsor currently intends to provide janitorial services for the Building through the Condominium employing a part time non-resident superintendent who will work a minimum of 20 hours per week. There will be a part time porter for approximately 28 hours per week for cleaning, refuse collection and other janitorial duties. In addition, there will be a twenty-four hours per day Lobby Attendant, separate from the part time porter staff. The Lobby Attendant during nighttime hours will also function as a porter. The Budget for the First Year of Condominium Operation includes salary and benefits to be paid to the building staff.

Terraces

As indicated in Schedule A, Terraces are appurtenant to certain Residential Units and are included in the purchase prices therefor. Terraces are Residential Limited Common Elements.

A Residential Unit Owner who has a Terrace appurtenant to such Unit Owner's Residential Unit shall have the exclusive use of same, subject to the right of the Condominium Board to access the Terrace and to regulate its use (as more particularly described in the Declaration and By-Laws), and shall be responsible for all normal Maintenance thereto. However, the costs and expenses of any structural repairs or repairs or replacements to any Terrace (unless caused by its Residential Unit Owner) shall be charged to all Residential Unit Owners as a Common Expense.

The Condominium Board will have the right to require a Residential Unit Owner to obtain the consent of the Condominium Board prior to installing plantings, surface coverings and other furniture, equipment and installations on the Terraces and may require a Residential Unit Owner to remove same, at such Residential Unit Owner's sole cost and expense, if the Condominium Board determines, in its discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roofs or adversely affect the appearance of the Building or if required to facilitate access to the roofing system or other Common Elements pursuant to the Declaration and By-Laws. No terrace may be enclosed without the express written consent of the Condominium Board. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

Commercial Unit

As more particularly described in the Section of the Plan entitled "Commercial Unit," in the Declaration and the "Description of Property," the Commercial Section will be situated on portions of the Cellar and Ground Floor of the Building. The Commercial Unit will be initially comprised of one (1) Unit located on portions of the Cellar and Ground Floor. The Commercial Unit will include space that may be utilized for any purposes permitted by Law, including, without limitation, use as restaurants, banks, parking, retail stores, storage or commercial and professional offices. The Commercial Unit will be serviced by a venting flue for use in the event the Commercial Unit is used as a restaurant. Therefore, the use of the Commercial Unit may generate noise, traffic, fumes or other disturbances over which the Residential Unit Owners will have no control.

The Commercial Unit Owner may adopt rules or approve changes relating solely to the Commercial Unit, including rules of operation. No rules affecting the operation of the Commercial Unit may be adopted or modified by the Condominium Board without the consent of the Commercial Unit Owner. All or any part of the Commercial Unit may be leased or subleased by the Commercial Unit Owner, all as more fully set forth in the Declaration. The Commercial Unit may be sold without prior notice. A Commercial Unit may be divided by the Commercial Unit Owner thereof. (See the Section entitled "Changes in Prices and Units"). The Residential Unit Owners will have no interest in the rents, profits or revenues from the rental or use of any space in the Commercial Unit.

There is appurtenant to the Building certain vault space in the Cellar which shall be available solely for the use of both the Condominium Board and the Commercial Unit Owner as set forth on the Floor Plans. The Condominium Board and the Commercial Unit Owner shall be responsible for vault taxes, if any, imposed as the result of the use of the vault. Routine

Maintenance and repair of the vaults shall be the responsibility of the Condominium Board or the Commercial Unit Owner having exclusive use thereof. However, the costs of any structural repairs, including repairs to the foundations or retaining walls adjacent to the vaults and the closing of the vaults, shall be a Common Expense undertaken by the Condominium Board.

The Commercial Unit Owner shall have the right, without the consent of the Condominium Board, and at its sole cost and expense, to alter, modify, restore or construct the exterior facade and storefronts of the Building up to the level of the second floor of the Building and to create additional means of egress and ingress provided that such alterations, modifications, restoration or construction are in compliance with applicable Law and do not affect the structural integrity of the Building. The Sponsor and the Commercial Unit Owner also have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by Law. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law.

No representation is made with respect to the continued ownership by Sponsor of all or any portion of the Commercial Unit or as to who the tenants or occupants of any portion of the Commercial Unit may be at any time or as to the uses to which any portion of the Commercial Unit may be put at any time (except that the Commercial Unit may be used for any lawful purpose or as otherwise limited by the Plan). The use of the Commercial Unit may generate noise or other disturbances over which the Residential Unit Owners will have no control.

General Common Elements

Generally, the General Common Elements consist of all Common Elements other than the Residential Common Elements, Residential Limited Common Elements and Commercial Common Elements and include, among other things, the following: (a) the Land; (b) all sidewalks, foundations, footings, columns, girders, concrete floor slabs and ceilings (except to the extent included as the Residential Common Elements, or Residential Limited Common Elements and Commercial Common Elements or part of any Unit), beams, supports, and interior load bearing walls, together with those portions of the exterior walls of the Building beyond the Unit side of the glass or concealed block work or concealed concrete structural members of those walls, (c) corridors and all fire staircases, landings and stairs which are not Residential Common Elements, or Residential Limited Common Elements and Commercial Common Elements or part of any Unit; (d) meter rooms, electrical rooms, gas meter room, pump room, domestic hot water room, and janitorial toilet and sink; (e) general illumination fixtures and security systems; (f) all passages, hallways, stairs, corridors, mechanical and other rooms, areas and spaces located in the Building serving both the Residential Section and Commercial Section, which are not Residential Common Elements, Residential Limited Common Elements and Commercial Common Elements or part of any Unit; (g) the roofs over the floor of the Building (except to the extent that a portion of a roof is comprised of a Residential Common Elements, or Residential Limited Common Element); (h) the water tower; and (i) all other parts of the Building and the apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit or are necessary or

convenient for the existence, Maintenance or safety of both the Commercial Section and the Residential Section. A detailed description of the General Common Elements is set forth in the Declaration.

Residential Common Elements

Generally, the Residential Common Elements include, among other things, the following: (a) passenger/service elevator Number 1 and passenger Elevator Number 2 (including their shafts, pits, machinery and appurtenant facilities); (b) the residential lobby, and the entrances, and mailboxes on the Ground Floor of the Building; (c) the recreation areas on the roof over the 10th Floor and on the roof over the 11th Floor; (d) windows, passages, hallways, stairs and corridors to the extent any of the same are for the exclusive use of the Residential Section; (e) electric panels, closets, feeders and risers serving the Residential Section; (f) storage bins, community room/exercise facility, the refuse room and refuse chute in the Cellar; (g) the chiller on the roof servicing the Residential Units; (h) all mechanical space and other rooms, areas and spaces located in the Building serving exclusively the Residential Units, the Residential Common Elements and the Residential Limited Common Elements and which are not General Common Elements, Commercial Common Elements, or part of any Unit; and (i) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits and lines) which serve or benefit exclusively the Residential Units. A detailed description of the Residential Common Elements is contained in the Declaration.

Residential Limited Common Elements

The Residential Limited Common Elements include those portions of the Building available for the exclusive use of some but not all Residential Unit Owners. At the present time the Residential Limited Common Elements consist of the Terraces appurtenant to certain Residential Units and fireplace flues.

Commercial Common Elements

Generally, the Commercial Common Elements include, among other things, the following: (a) stairways for the exclusive use of the Commercial Section (which are not part of any Commercial Unit); (b) storage in the Cellar; and (c) all other apparatus, installations, systems, equipment and facilities in the Building (including shafts, pipes, wires, ducts, vents, cables, conduits, and lines) which serve or benefit exclusively the Commercial Unit or the Commercial Unit Owner. A detailed description of the Commercial Common Elements is set forth in the Declaration. The Commercial Unit Owner will have the right to grant easements permitting access between any Commercial Common Element or other portion of the Commercial Section and any property adjoining the Land, including the right to penetrate any General Common Elements located between the Commercial Unit and such adjoining property, provided such penetration does not materially weaken the structural soundness of the Building.

Services and Facilities

Under present plans, all of the services and facilities described herein will initially be provided and made available to Residential Unit Owners following the First Closing.

a. Doorman/Concierge

It is anticipated that a uniformed Lobby Attendant will be on duty at the Lobby of the Building twenty-four (24) hours a day, seven (7) days a week, to assist those arriving and departing. The Lobby Attendant during nighttime hours will also function as a porter. The Lobby Attendant's hours of duty may not be provided until title has closed to fifty (50%) percent of the Residential Units; provided, however, that there will be at least one (1) Lobby Attendant on duty twenty-four (24) hours a day, seven (7) days a week as of the First Closing.

b. Elevator Service

One (1) automatic passenger/service elevator will be in service, twenty-four (24) hours a day, seven (7) days a week, for the use of Residential Unit Owners. A shuttle will operate as a lift from the 10th to 11th Floors only.

c. Cable Television Service

A cable television system will be available for the use of the Residential Unit Owners. The charges for primary connections and subsequent monthly fees related to the service will be determined by, and payable directly to the cable company. Additional cable service (e.g., Home Box Office or Showtime) will also be available from the cable company for an additional charge on the same basis. Inasmuch as the wiring of the Building may be delayed until a certain percentage of the Residential Units are occupied, Sponsor makes no representation that cable television service will be available to any Residential Unit Owner upon its initial occupancy of a Residential Unit. Sponsor may enter into an agreement with a cable company (the "Cable Company"), granting the Cable Company the right to install wires, cables and other components of its system (the "Cable Facilities") in the Building's internal conduit system and granting the Cable Company an easement for the installation, repair or replacement of the Cable Facilities and certain rights to relocate the Cable Facilities which shall remain the property of the Cable Company (the "Cable Agreement"). The Condominium would own and maintain the internal conduit system in which the Cable Facilities are located. In the event Sponsor enters into the Cable Agreement, the Condominium will be subject to and bound by the terms thereof.

d. Electrical Systems and Telephone Service

Electrical service will be provided to Residential Unit Owners by Con Edison or such other utility company, which will bill such Unit Owners directly for electricity utilized. Local and long distance telephone service will be provided by Verizon or other telephone service provider. Each Residential Unit will be prewired to permit installation of a building intercom.

e. Mail

All incoming mail will be delivered by the United States Postal Service to the mailboxes located on the Ground Floor.

f. Laundry

Each Residential Unit will contain a washer and dryer.

g. Refuse Disposal

There will be one (1) refuse chute serving the Residential Units leading directly to the refuse room located in the Cellar.

h. Community Room/Exercise Facility

There will be a community room/exercise facility located in the Cellar, which will be available for the exclusive use of residents. Residential Unit Owners will be able to access the community room/exercise facility by means of a key, but the Condominium Board reserves the right to limit the hours during which the Residential Unit Owners may use the community room/exercise facility. Upon the conveyance of a Residential Unit by Sponsor, the Purchaser thereof will have the right to use these facilities, subject to the Declaration and the By-Laws and to any rules and regulations promulgated from time to time by the Condominium Board.

i. Recreation/Outdoor Areas

It is anticipated that recreation areas for the exclusive use by Residential Unit Owners and their guests and tenants will be located on the roof over the 10th Floor and on the roof over the 11th Floor. Upon the conveyance of a Residential Unit by Sponsor, the Purchaser thereof will have the right to use the recreation area, subject to the Declaration and the By-Laws and to any rules and regulations promulgated from time to time by the Condominium Board.

General

All determinations with respect to the continuance of any of the foregoing services, if initially made available, will be made by the Condominium Board, which will be controlled by Sponsor during the Sponsor Control Period as described in the Section of the Plan entitled "Control by Sponsor.") Please refer to the Description of the Property set forth in its entirety in Part II of the Plan for further details regarding services and facilities at the Property.

Neither Sponsor, the Managing Agent nor the Board will in any event be liable for the availability, interruption, discontinuance or quality of any of the foregoing services, including, but not limited to, any services provided by any outside company or person other than Building personnel, or for any injury to person or damage to property resulting from any act or omission of such company or persons or their employees or agents, except to the extent that any such injury to person or damage to property occurs as a result of the negligence of Sponsor, the Managing Agent or any of the Board, as the case may be.

No representation or warranty is made and no assurance is given that the security systems and procedures of the Residential Section and of the Condominium will prevent personal injury or damage to or loss of personal property. While Unsold Residential Units are being offered for sale or lease by Sponsor or its designees there will be a greater number of visitors to the Residential Section than would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Neither Sponsor or its designee nor the Managing Agent shall be liable or responsible for any personal injury or for any loss or damage to personal property which may result from the failure of the Residential Section's or the Condominium's security systems and procedures, including, without

limitation, those procedures with regard to any delivery of packages, provided that any such failure is not caused by the negligence of Sponsor or its designees, the Managing Agent or their respective agents.

Please refer to the Description of Property set forth in its entirety in Part II of the Plan for further details regarding security procedures.

LOCATION AND AREA INFORMATION

Location and Services

The Condominium is located off of Fifth Avenue in the landmark district area known as "Ladies Mile."

New York City is the most populous city in the United States, as well as one of the principal urban centers of the world. Manhattan is the economic and recreational hub of New York City, containing numerous businesses, transportation facilities, cultural activities, park areas, educational facilities, medical centers and restaurants.

New York is the nation's principal financial center. It is the home of the New York Stock Exchange, the American Stock Exchange and the National Over-the-Counter Stock Market. Manhattan is the corporate headquarters for a number of the largest banks. Many of the country's "Fortune 500" industrial corporations have their headquarters in Manhattan as do major law and accounting firms. Manhattan is also recognized as the national center of the advertising, communications, broadcasting, publishing and garment industries. In the last several years, there has been substantial growth in the number of foreign banks and corporations that have offices in Manhattan.

The Condominium is served by a variety of transportation facilities. Taxi and limousine service is readily available throughout the city. Municipal bus service for the Condominium area is available on Fifth Avenue. A major subway hub is located at 14th Street providing subway service on the 4, 5, 6, N, R, and L lines. By automobile, the West Side Highway is connected to Interstate 95 and the Henry Hudson Parkway, both of which are major regional arteries. The FDR Drive provides access to the East River bridges and tunnels. New York City is serviced by three major airports located within fifteen miles of the Condominium. Kennedy International and LaGuardia Airports are located in New York City and Newark International is located in Newark, New Jersey.

Excellent educational facilities are located in New York City. Local public schools servicing the Condominium include: 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. New York University, located in the Village is one of the outstanding educational facilities in this country, featuring the New York University Law School. The Condominium is also within easy access to medical facilities in the New York area, including the NYU Downtown Hospital of the NYU Medical Center and St. Vincent's Hospital.

Police, fire, water, sanitation and snow removal are provided by the City of New York. The Property is in the 13th Police Precinct with headquarters located at 230 East 21st Street, New York, New York and primary fire protection is provided by the N.Y.F.D. Engine 14 located at 14 East 18th Street, New York, New York.

The City of New York is responsible for the maintenance of the roads adjacent to the Condominium.

There is no guaranty that any of the foregoing services or amenities will continue to be available to Unit Owners or residents in the future or that any change in the foregoing will not adversely impact upon the value of the Residential Units. Sponsor makes no representations that the character of the neighborhood, the businesses and other institutions which operate there or the qualitative nature of the surroundings will not change.

Zoning and Use

The Property is located in a C6 – 4A zoning district. The C6 – 4A zoning is classified as a commercial, light manufacturing and residential district. Neither Sponsor nor its principals own in whole or in part, nor do they have an option or right to acquire any adjacent areas which are not fully developed.

SCHEDULE A - PRICES OF UNITS AND RELATED INFORMATION

15 West 20th Street
Purchase Price and Related Information for First Year of Condominium Operation
May 1, 2006 thru April 30, 2007

Floor #	(1) Square footage	# of Bedrooms Bathrooms & Home Office	(2) Purchase Price	(3) % of Residential Common Interest	% of Common Interest	(4) Projected Annual Common Charges	(4) Projected Monthly Common Charges	(5) Projected Annual Real Estate Taxes	(5) Projected Monthly Real Estate Taxes	Projected Monthly Carrying Charges
2A	2,259	2 / 3 / 1	$ 2,200,000	5.122%	4.651%	$ 26,251.17	$ 2,187.60	$ 15,535.26	$ 1,294.61	$ 3,482.20
2B	2,322	2 / 3 / 1	$ 2,400,000	5.339%	4.848%	$ 27,363.34	$ 2,280.28	$ 14,923.92	$ 1,243.66	$ 3,523.94
3A	2,259	2 / 3 / 1	$ 2,250,000	5.211%	4.732%	$ 26,707.31	$ 2,225.61	$ 15,894.87	$ 1,324.57	$ 3,550.18
3B	2,322	2 / 3 / 1	$ 2,450,000	5.428%	4.929%	$ 27,819.48	$ 2,318.29	$ 15,283.53	$ 1,273.63	$ 3,591.92
4A	2,259	2 / 3 / 1	$ 2,300,000	5.300%	4.812%	$ 27,163.45	$ 2,263.62	$ 16,254.48	$ 1,354.54	$ 3,618.16
4B	2,322	2 / 3 / 1	$ 2,500,000	5.516%	5.008%	$ 28,270.49	$ 2,355.87	$ 15,643.14	$ 1,303.60	$ 3,659.47
5A	2,259	2 / 3 / 1	$ 2,350,000	5.389%	4.893%	$ 27,619.60	$ 2,301.63	$ 16,614.10	$ 1,384.51	$ 3,686.14
5B	2,322	2 / 3 / 1	$ 2,550,000	5.605%	5.089%	$ 28,726.63	$ 2,393.89	$ 16,002.76	$ 1,333.56	$ 3,727.45
6A	2,259	2 / 3 / 1	$ 2,425,000	5.522%	5.014%	$ 28,301.24	$ 2,358.44	$ 16,973.71	$ 1,414.48	$ 3,772.91
6B	2,322	2/ 3 / 1	$ 2,625,000	5.739%	5.211%	$ 29,413.41	$ 2,451.12	$ 16,362.37	$ 1,363.53	$ 3,814.65
7A	2,259	2 / 3 / 1	$ 2,550,000	5.744%	5.216%	$ 29,439.03	$ 2,453.25	$ 18,052.55	$ 1,504.38	$ 3,957.63
7B	2,322	2 / 3 / 1	$ 2,750,000	5.961%	5.413%	$ 30,551.20	$ 2,545.93	$ 17,441.21	$ 1,453.43	$ 3,999.37
8A	2,259	2 / 3 / 1	$ 2,675,000	5.966%	5.417%	$ 30,576.82	$ 2,548.07	$ 18,879.66	$ 1,573.31	$ 4,121.37
8B	2,322	2 / 3 / 1	$ 2,875,000	6.183%	5.614%	$ 31,688.99	$ 2,640.75	$ 18,268.31	$ 1,522.36	$ 4,163.11
9A	2,259	2 / 3 / 1	$ 2,825,000	6.233%	5.660%	$ 31,945.25	$ 2,662.10	$ 19,598.88	$ 1,633.24	$ 4,295.34
9B	2,322	2 / 3 / 1	$ 3,025,000	6.450%	5.857%	$ 33,057.41	$ 2,754.78	$ 18,987.54	$ 1,582.30	$ 4,337.08
PH- FT, RT	3,223	3 / 3.5	$ 4,100,000	9.292%	8.437%	$ 47,623.17	$ 3,968.60	$ 27,551.71	$ 2,295.98	$ 6,264.57
Total	**39,871**		**$ 44,850,000**	**100.000%**	**90.7991%**	**$ 512,518.00**	**$ 42,709.83**	**$ 298,268.00**	**$ 24,855.67**	**$ 67,565.50**
Comm					9.2009%					
					100.000%					

FT - 1,105 10th floor
RT - 1,120 11th floor
RT - 50 11th floor

Notes to Schedule A

1 Residential Unit Plans depicting layouts of Residential Units appear in Part II of the Plan. Purchasers should note that the square footage of each Residential Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may change due to field conditions and construction variances and tolerances. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the unit and may significantly exceed the actual floor area. Floor area may include columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. The clearance between the top of the floor slab on one floor and the top of the floor slab on the next floor will vary among the Units and certain Units may have less clearance and certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams and mechanical spaces in such Units. Kitchens, bathrooms and hallways typically have dropped ceilings. Please refer to the "Description of Property" in Part II of the Plan for further details.

As is often the case in New York, these square foot areas exceed the usable floor area of each Unit. Columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. The clearance between the top of the floor slab and the bottom of the finish ceiling in the Units will be approximately 11'0" (8'6" in some areas) for Units on Floor 2; approximately 10'0" (8'6" in some areas) for Units on Floors 3 through 8; approximately 10'0" (8'6" in some areas) for Units on Floor 9; and approximately 10'0" (8'6" in some areas) for the Penthouse Unit on Floors 10 and 11. However, certain Units may have less clearance and certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams and mechanical spaces in such Units. Purchasers are further advised that Sponsor has reserved the right to negotiate with individual purchasers to perform special work which may require a modification in floor plans for certain Residential Units and accordingly the layout of the Units and Common Elements may vary. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York.

2 No change will be made in the purchase prices other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. In addition to the purchase price, Purchaser will be responsible at Closing for certain closing costs as explained in the Section entitled "Closing Costs and Adjustments" in Part I of the Plan including, without limitation, the obligation to contribute one (1) month's Common Charges to the Working Capital Fund of the

Condominium. Purchasers are advised to consult with their attorneys as to the exact closing costs they will incur in purchasing their Units.

3(a) The respective Common Interest of each Unit in the Common Elements, in accordance with the provisions of Section 339-i(1)(iv) of the New York Condominium Act, 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 the event that, prior to the First Closing, Sponsor negotiates with individual purchasers to change the layout or dimensions of their respective Residential Units and such changes involves the inclusion, in the Residential Unit, of areas formerly designated as Common Elements, or involves adding to the Common Elements, space that was previously incorporated in the Residential Units, the Common Interest of all of the Residential Units may change slightly. Any such change in the Common Interest allocated to a Residential Unit prior to the recording of the Declaration shall not be deemed a material change and shall not give rise to a right of rescission on the part of any purchaser.

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

4 The estimates contained in this schedule were prepared on the assumption that the first year of Condominium operation will be the year from May 1, 2006 through April 30, 2007, and are only an estimate of the receipts and expenses of the Condominium for the projected year. Sponsor makes no representation regarding the commencement date or the estimated receipts and expenses for the first year of Condominium operation which may be greater than or less than the estimated figures set forth in the proposed budget. The actual first year of Condominium operation may be earlier or later than such year. If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected first year of condominium operation, Sponsor will amend the Plan to include a revised budget disclosing current projections. If such amended projections exceed original projections by twenty-five (25%) percent or more, Sponsor will offer all purchasers the right to rescind for a period of fifteen (15) days after the date of the presentation of the amendment setting forth the right to rescind.

The estimated monthly Common Charges for each Residential Unit are based on the Schedule B - Projected Budget for First Year of Condominium Operation. The estimated monthly Common Charges include the cost of central heating for the Units. Each individual Residential Unit is provided with an HVAC unit. The Maintenance and operating cost of the HVAC units are borne by the individual Residential Unit Owners. Please refer to Schedule B-1 "Energy Costs Projection" from Athwal and Associates, Inc., consulting engineer, for further information regarding estimated energy costs. In addition to these estimated payments, each Residential Unit Owner will be responsible for real estate taxes for such Residential Unit, mortgage payments under a loan or loans, if any, obtained to finance the purchase of the Residential Unit, the cost of electricity

supplied to the Residential Unit which will be separately metered and payable directly to the utility company, the insurance which must be carried by each Residential Unit Owner with respect to liability and casualty to the contents of the Unit and the cost of interior repairs and decorations to the Residential Unit. Until the Units are separately assessed, real estate taxes shall be part of Common Expenses. In the event that the payments made by Unit Owners are less than or more than the amount of taxes paid for the period in question, Unit Owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. In addition, capital repairs, additions, improvements, alterations and restorations to Residential Section are Common Expenses, which will be borne solely by the Residential Unit Owners.

5 It is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the first year of Condominium operation will total approximately $298,268, based on an opinion prepared by Jerome Mazursky dated January 14, 2004 which assumes (a) an assessed transitional valuation attributable to the residential portion of the Property of $915,846 for the July 1, 2005 through June 30, 2006 fiscal tax year, (b) an assessed transitional valuation attributable to the residential portion of the Property of $3,068,196 for the July 1, 2006 through June 30, 2007 fiscal tax year, (c) a projected tax rate of $11.50 per $100 of assessed valuation for the July 1, 2005 through June 30, 2006 fiscal tax year and a projected tax rate of $12.70 per $100 of assessed valuation for the July 1, 2006 through June 30, 2007 fiscal tax year. After the Condominium is divided into individual tax lots 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 any Unit be subject to any lien arising from the non-payment of, taxes on other Units. Projected tax deductions (where applicable) may vary in future years due to changes in the interest rate on the Unit Owner's mortgage (if any), changes in the allocation of constant debt service payments to interest and principal, changes in real property tax benefits or changes in the assessed value, tax rate or method of assessing real property. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED. PURCHASERS ARE ADVISED THAT THE NEW YORK CITY TAXING AUTHORITIES HAVE IMPLEMENTED SIGNIFICANT INCREASES IN THE TENTATIVE ASSESSED VALUATIONS FOR NEW CONSTRUCTION CONDOMINIUMS FOR THE TAX YEAR 2005/2006 WHICH DO NOT APPEAR CONSISTENT WITH THEIR VALUATIONS IN PRIOR YEARS. SPONSOR MAKES NO REPRESENTATIONS REGARDING THE METHODOLOGY WHICH THE TAXING AUTHORITIES WILL USE IN FUTURE TAX YEARS.

Purchasers should note that the real estate taxes for the first year of Condominium operation are less than taxes would be for the second year of Condominium operation since the first year's tax estimate includes six (6) months of assessed valuation of the Property prior to the completion of the Building which is a substantially lower valuation as well as a commercial tax rate for such period. Accordingly, taxes during the second year of operation could be approximately twice the taxes during the first year of operation.

The real estate tax estimates for each Residential Unit were calculated on the assumption that the real estate taxes for the residential portion of the Building payable with respect to each Residential Unit for the first year of Condominium operation will be allocated in proportion to each Residential Unit's Common Interest as set forth on Schedule A. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's purchase price rather than its Common Interest, and, if so, Residential Units having the same or similar percentage interest which are determined to have a higher purchase price or market value will pay higher real estate taxes than are reflected on Schedule A.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method to be employed by the New York City tax assessor in allocating individual Residential Unit assessments; (ii) of the assessed values of the Residential Section during the first year of Condominium operation, or (iii) of the tax rates for the first year of Condominium operation.

See the Section entitled "Income Tax Deductions to Residential Unit Owners and Tax Status of Condominium" and the Attorney's Income Tax Opinion in Part I of the Plan for a discussion concerning the deductibility of real estate taxes paid with respect to a Residential Unit. Purchasers should note that the deductibility of mortgage interest and real estate taxes in future years may vary due to changes in the interest rate on the unit owner's mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes resulting from from changes in the assessed value, the tax rate or the method of assessing real property.

SCHEDULE B - PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE "B"
15 West 20th Street
Projected Budget for the First Full Year of Condominium Operation
May 1, 2006 – April 30, 2007

PROJECTED INCOME:

Common Charges (1).....	
Residential Unit Common Charges.....	$ 512,518
Commercial Unit Common Charges.....	$ 12,058
TOTAL PROJECTED INCOME.....	$ 524,576

PROJECTED EXPENSES:

Salary, Wages, Payroll Taxes & Benefits (2).....	$ 210,684
Heat and Hot Water (3).....	$ 73,200
Cooking Gas (4).....	$ 10,204
Electricity (5).....	$ 52,032
Water & Sewer (6).....	$ 15,556
Repairs & Maintenance (7).....	$ 30,000
Services & Supplies (8).....	$ 57,200
Insurance (9).....	$ 21,700
Management Fee (10).....	$ 25,000
Legal & Auditing Fees (11).....	$ 11,000
Administration (12).....	$ 8,000
Contingency (13).....	$ 10,000
TOTAL PROJECTED EXPENSES (14).....	$ 524,576

The accompanying notes are an integral part of this Schedule B and should be read in conjunction herewith

Notes to Schedule B

(1) COMMON CHARGES - (Budget - $524,576)

The estimated Common Charges to be collected from Unit Owners during the first year of Condominium operation are based upon the assumption that the first year of Condominium operation will be the twelve months commencing May 1, 2006. The actual first year of operation may be earlier or later.

The allocation for the General Common Expenses to be borne by the Commercial Unit have been allocated on the basis of the Commercial Unit's respective Percentage of Common Interest, 9.2009%.

	Total	Residential Unit	Commercial Unit
Projected Income			
Common Charges (1)	$ 524,576		
Residential Unit Common Charges		$ 512,518	
Commercial Unit Common Charges			$ 12,058
Total Projected Income	$ 524,576	$ 512,518	$ 12,058
Projected Expenses			
Salary, Wages, Payroll Taxes and Benefits (2)	$ 210,684	$ 210,164	$ 520
Gas Heat, & Hot Water (3)	$ 73,200	$ 73,200	$ ---
Cooking Gas (4)	$ 10,204	$ 10,204	$ ---
Electricity (5)	$ 52,032	$ 51,553	$ 479
Water & Sewer (6)	$ 15,556	$ 15,556	$ ---
Repairs & Maintenance (7)	$ 30,000	$ 27,240	$ 2,760
Services & Supplies (8)	$ 57,200	$ 55,866	$ 1,334
Insurance (9)	$ 21,700	$ 19,703	$ 1,997
Management Fee (10)	$ 25,000	$ 22,700	$ 2,300
Legal & Auditing Fees (11)	$ 11,000	$ 9,988	$ 1,012
Administration (12)	$ 8,000	$ 7,264	$ 736
Contingency (13)	$ 10,000	$ 9,080	$ 920
Total First Year Budget	$ 524,576	$ 512,518	$ 12,058

In the event the projected commencement date of the first year of Condominium operation is to be delayed more than six (6) months from the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. Sponsor will not declare the plan effective if any material changes to the budget are not yet disclosed in an amendment to the plan.

If the Common Charges in the revised budget projections exceed the earlier budget projections by twenty-five percent (25%) or more, the Sponsor will offer all purchasers the right to rescind their Purchase Agreements and have their Deposits refunded to them, whether or not the Sponsor offers to guarantee the earlier budget projections.

(2) SALARIES, WAGES, PAYROLL TAXES & BENEFITS - (Budget - $210,684)

The budgeted amount includes base wages, worker's compensation and disability insurance, health benefits, payroll taxes and the cost of sick days, holidays, and vacation pay for a projected shared building staff of one part time superintendent, one part time porter and 24 hour lobby attendants. The full staff may not be employed until certain Building occupancy levels are achieved.

It is anticipated that the part time non resident superintendent will receive $500 per week and will provide janitorial and maintenance service for the building. There will be a part time porter for approximately 28 hours per week for cleaning, refuse collection and other janitorial duties. It is expected that the 24 hour per day lobby attendant and the part time porter will be provided by The Planned Companies which provide building staff personnel. The anticipated labor cost are as follows:

Part Time Non Resident Superintendent @ $500 per week	=	$ 26,000
FICA @ 7.65% of base wage	=	$ 1,989
Workers Compensation @ 5.5% of total wages	=	$ 1,430
FUI and FUTA-NYS Unemployment @ $60 per employee	=	$ 425
NYS Disability @ $60 per employee	=	$ 60
Health Benefits @ $6,000 per year	=	$ 6,000
Total Wages and Benefit	=	$ 35,904

28 hour per week porter provided by The Planned Company @ $13.50 per hour, plus sales tax and a holiday differential for 7 holidays per year.	$ 21,488
24 hours per day lobby attendant @ $16.00 per hour plus sales tax with a holiday differential of 7 annual holidays	$153,292
	$210,684
TOTAL WAGES, TAXES & BENEFITS	**($210,684)**

The employees will be devoting a substantial portion of their time and effort to service the Residential Units and the Residential Common Elements, except that a small portion of the Superintendent's and porter's the one porter's time (estimated at ten percent (10%) will be devoted to the General Common Elements. Accordingly, salaries and related expenses have been primarily allocated to the Residential Units, except for the time charged to the General Common Elements ($5,650) that has been apportioned to all of the Units within the Condominium based upon each Unit's respective Percentage of Common Interest.

(3) HEAT & HOT WATER - (Budget - $73,200)

The budgeted amount is based upon a letter from Athwal and Associates, Inc. 171 Madison Avenue, New York, NY 10016, sponsor's consulting engineers dated, October 26, 2004. It is anticipated that the annual consumption of gas for heat and hot water for the residential units will be approximately 57,865 therms at $1.15 per therm for a total cost of $66,545. A 10% inflation factor has been added. The Commercial Unit will be separately metered or submetered for heat and hot water.

It is not possible to predict how closely the budgeted figure will reflect the actual cost of steam for heat and hot water during the first year of Condominium operation, because such cost will vary with the level of consumption and the price of gas. Consumption will be affected by the severity of the weather and by any conservation measures adopted by the Condominium Board or individual unit owners.

(4) COOKING GAS (Budget - $10,204)

The Residential Units will not be separately metered for gas to be used for cooking. Based on a letter dated October 26, 2004, from Athwal and Associates, Inc., 171 Madison Avenue, New York, New York 10016, it is estimated that the gas cost for apartment cooking based on 8066 therms at $1.15 per therm will be $9,276. A 10% inflation factor has been added.

(5) ELECTRICITY - (Budget - $52,032)

The electricity consumption for the first year of Condominium operation for the common areas was estimated by Athwal and Associates, Inc., 171 Madison Avenue, New York, NY 10016 in a letter dated October 26, 2004, at 315,348 kilowatt hours of electricity, at a rate of $.15 per kilowatt hour of electricity including applicable sales tax, resulting in an annual cost of $47,302. This estimate includes costs for the common area air conditioning units, distribution pumps, miscellaneous floor loads, elevators and lighting. Electricity costs can vary depending upon consumption and demand factors. A 10% inflation factor has been added.

These costs are only the estimated electricity costs for the Common Elements within the building and have been allocated 90 percent to the Residential Common Elements and charged to the Residential Units, with the remaining 10 percent allocated to the General Common Elements within the Condominium based upon each unit's respective Percentage of Common Interest.

Each unit will be individually metered or submetered for consumption of electricity within their own units.

(6) WATER & SEWER – (Budget - $15,556)

The building will have a single main water meter, which will measure actual water usage. Based upon a letter from Athwal and Associates, Inc., 171 Madison Avenue, New York, NY 10016 dated October 18, 2004, water and sewer charges are based upon a combined charge of $4.14 per 100 Cu. Ft. and an estimated usage of 3416 C.C.F.

The annual water and sewer charges during the first year of condominium operation is estimated at $14,142. A 10% inflation factor has been added.

The Commercial Unit will be separately sub-metered or metered for water and sewer and will pay the costs of water and sewer usage directly to the condominium or taxing authority.

(7) REPAIRS & MAINTENANCE – (Budget - $30,000)

Since the Building will be newly renovated it has no operating history upon which to project future costs of repairs and maintenance. No major capital repairs are included in

the First Year's Budget since all major construction and mechanical systems will be new. Future major capital repairs to the Common elements will be borne by all Unit Owners.

The budgeted figure for this item includes the cost of normal maintenance and repairs to the Common Elements of the Building that are the responsibility of the Condominium. Each Unit Owner will be responsible for the cost of the interior maintenance, repairs, decoration and painting of their respective units, including the appliances, incremental heating/air-conditioning units and any Limited Residential Common Elements appurtenant thereto. Repairs and Maintenance have been allocated to all Units based upon each unit's respective Percentage of Common Interest.

(8) SERVICE & SUPPLIES - (Budget - $57,200)

The budgeted amount includes the cost of cleaning equipment and miscellaneous supplies for the Common Elements, as well as the anticipated cost of service contracts during the first year of Condominium operation.

All of the mechanical systems within the Building will be refurbished, and some will be under a full service maintenance contract for the first year of Condominium operation from the contractor who will install the system. No maintenance or service contracts have been entered into as of the date of the Plan. The budgeted amounts are based upon the experience of the Sponsor's budget expert in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost that may occur prior to and during the first year of Condominium operations, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

It is projected that the Condominium will enter into maintenance agreements for the following services:

Heating and Cooling System	$ 8,000
Elevator Maintenance	$ 7,200
Sprinkler System/ Fire Protective Alarm System	$ 10,000
Metal, Wood, and Marble Maintenance	$ 10,000
Exterminator	$ 3,000
Water Treatment	$ 4,000
Miscellaneous Supplies	$ 15,000

The cost for services relating to the, sprinkler system/ fire protection alarm system, and exterminator, have been allocated to all units within the Condominium based upon each unit's respective Percentage of Common Interest. 90% of the supplies will be allocated to the Residential Units while 10% will be utilized in maintaining the General Common Elements and will be allocated to all units based upon each unit's respective percentage of Common Interest.

(9) INSURANCE – (Budget - $21,700)

Based upon the proposal dated November 1, 2004 from Hilb Rogal & Hobbs, having an office address at 100 Park Avenue, New York, NY 10017. The following insurance coverage will be obtained for the Building for the first year of Condominium operation:

A Comprehensive Condominium Package Policy, including Boiler & Machinery and Water Damage, with the following General Coverage and Limits:

Property Policy

$7,900,000	Building "All Risk", Special Form, Agreed Amount, No Co-insurance, Replacement Cost, $25,000 Deductible – Actual Sustained Loss Personal Property
	Business Interruption – Actual Sustained Loss – No Co-Insurance
	Business Personal Property - $1,000 Deductible – 80% Co-Insurance
Included	Flood - $100,000 Deductible
Included	Earthquake – 100,000 deductible
$1,000,000	Increased Cost of Construction or Demolition
$1,000,000	Back-up of Sewers and Drain/Underground Water Supply
Included	Boiler & Machinery – Direct & Indirect Loss
Included	Building Ordinance
Included	Property Enhancement Endorsement

General Liability Policy

$1,000,000	Each Occurrence
$2,000,000	General Aggregate
$1,000,000	Personal & Advertising Injury
$1,000,000	Products/Completed Operations Aggregate
$ 100,000	Fire Legal Liability
$ 5,000	Medical Payments
$1,000,000	Water Damage Legal Liability
$1,000,000	Non-Owned Automobile/Hired Car
	Liability Deductible - $5,000
Included	Knowledge or Notice of Occurrence
Included	Unintended Errors & Omissions
$1,000,000	Directors & officers Liability - $2,500 Deductible Per Claim

Umbrella Liability

$50,000,000 Umbrella Liability

$ 10,000 Self Insured Retention

The annual premium for the above mentioned insurance policy is estimated to be $21,700.

The insurance costs are for the entire Condominium and have been allocated to all units within the Condominium based upon each unit's respective Percentage of Common Interest.

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

Each individual Unit Owner should consider the desirability of obtaining additional insurance at his own cost for the following coverage, which is not included in the above coverage:

- fire or casualty losses to the contents of his unit and any replacements, additions, upgraded fixtures and improvements therein; and

- liability for personal injury or property damage as a result of occurrences in his Unit, including water damage legal liability to cover damage arising from leaks or other conditions within the Unit.

(10) MANAGEMENT FEE - (Budget - $25,000)

At or prior to the First Closing, the Condominium will enter into a management agreement with Intell Management, having an office address at 225 West 86, New York, NY, a real estate management firm. The agreement will be for an initial term of 2 year. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than sixty (60) days' prior written notice.

The Managing Agent will receive an annual fee of $25,000 payable in equal monthly installment of $2,083. The Managing Agent's fee for the first year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

The Management Fee has been allocated to each unit based on each unit's respective Percentage of Common Interest.

See the section of the plan entitled "Agreements Affecting Building Operations" for further details.

(11) LEGAL & AUDIT FEES – (Budget - $11,000)

The Condominium will engage a law firm to act as the attorney for the Condominium. The estimated cost for minor legal services which do not include special collection matters or litigation for the Condominium's first year is $2,500. It is anticipated that the Condominium will enter into an agreement with Margolin Winer & Evans LLP, located at 400 Garden City Plaza, Garden City, NY. 11530 to provide audit tax returns preparation and financial statement preparation services for the Condominium. It is estimated that the first year cost for these services will be $8,500.

These professional fees are for the entire Condominium and have been allocated to all units within the Condominium based upon each unit's Percentage of Common Interest.

(12) ADMINISTRATION – (Budget - $8,000)

The budgeted amount includes anticipated expenses for telephone, beepers, postage, printing, miscellaneous office supplies, payroll processing costs, permits and fees and local telephone usage in the Superintendent's office.

These costs for administrative fees have been allocated to each unit within the Condominium based upon each unit's respective Percentage of Common Interest.

(13) CONTINGENCY – (Budget - $10,000)

This item is included in the budget to provide funds for unforeseen increases in Residential Common Expenses and General Common Expenses before or after the First Closing or to cover expenses not included in this budget.

The contingency reserve is for the entire Condominium and has been allocated to all units within the Condominium based upon each unit's respective Percentage of Common Interest.

(14) TOTAL PROJECTED EXPENSES – (Budget - $524,576)

The projections set forth in this budget assume that the first year of Condominium operation will cover the period from May 1, 2006, through April 30, 2006.

IN THE OPINION OF PENMARK REALTY CORP., HAVING AN OFFICE AT 5 EAST 86TH STREET, NEW YORK, NEW YORK 10028. THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION. THE BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE BOARD WILL BE AS SET FORTH IN THE BUDGET. IN FACT, IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

SCHEDULE B - 1 ESTIMATED ENERGY COSTS

ATHWAL AND ASSOCIATES, INC.
Consulting Engineers

October 26, 2004

Mr. Richard Saunderson
Avinash K. Malhotra Architects
148 West 24th Street
New York, NY 10011

Re: 15 West 20th Street, NY
Estimated Usage Costs For Electric, Water, Sewer and Gas
Our Project No. 2456

Dear Richard,

The following represents the estimated annual costs for space heating, domestic hot water, gas and electric for the above referenced project:

Note: Area of building = 50,000 sq. ft. (approx.)
Breakdown of areas as follows:

- Apartment Units (total: 17) = 36,626 sq. ft. (approx.)
- Common Areas = 9,642 sq. ft. (approx.)
- Retail = 3,732 sq. ft. (approx.)

A. **Space Heating for the Residential/Common Areas of the Building**
Note: Utilizing Gas Fired modular Boilers

The annual space heating costs is based on ASHRAE's degree day method:

$$E = \frac{H \times D \times 24}{T \times N \times V} \times (CD)\,(CF)$$

F: Fuel or energy consumption for the estimate period
H: Calculated heat loss for building =2,250,000 BTUH
D: Number of degree Days = 4,909
N: Efficiency = 80%
T: Temperature difference (Indoor design temperature - outdoor design temperature) =72°F
V: Heating value of gas = 1,000 BTUH/cu.ft.
CF : Part load correction factor for fueled systems = 1.61
CD: Correction factor for heating effect vs degree days = 0.71
E : Energy Consumption = 5,260,762 cu.ft./yr or 52,608 Therms/yr

Annual Cost @ $ 1.15/Therm = $ 60,499.20

171 Madison Avenue Suite 308 New York, NY 10016 ■ Telephone 212 532-5335 Facsimile 212 532-8433 email: oathwal@aol.com

B. **Gas**

Apartment cooking:

- Based on 2 hours of usage/day
- 806,684 cu.ft./yr or 8,066 Therms
- Based on $1.15 per Therm, Annual Cost= $ 9,275.90

C. **Domestic Hot Water:**

Note: Cost based on utilizing gas fired domestic hot water heater as the energy source.

- Total of 17 units that include 2 and 3 bedroom units, 2 people per bedroom = 70 people
- Gallons per day/person = 50
- Based on 70 people, Total Load = 5,256.97 Therms
- Based on a gas rate of $1.15 per Therm, annual cost= $ 6,045.52

D. **Water and Sewer:**

- Use of water per day per person = 100 Gallons
- Annual water use based on 70 people = 2,554,998 gal.
- Based on a combined water and sewer rate of $ 4.14 per 100 cu.ft.
- Annual Cost = $ 14,141.30

E. **Electric**

Common charges -		
1. Air Cooled Chillers –85 Tons (Based on 1.14 kw/ton)	=	100.0 KW
2. Elevator - 1 @ 30 HP & 1 Lift @ 7-1/2 HP	=	40.0 KW
3. Duplex water booster pump set - 2 @ 5 HP	=	10.0 KW
4. Circulating pumps - 20 HP	=	20.0 KW
5. Roof fans - 4HP	=	4.0 KW
6. Lighting- 9,642 SF @ 1.5 w/SF	=	14.5 KW
7. Miscellaneous equipment	=	2.0 KW
Total:	=	**190.5 KW**

1. Air Cooled Chiller (900 Full Load Hours)(100.0 KW)(0.8)	=	72,000 KW HRS
2. Elevators (5,250 Hrs/yr.) (40 KW) (.27)	=	56,700 KW HRS.
3. Booster water pumps (5,250 Hrs./yr (10 KW) (.30)	=	15,750 KW HRS.
4. Circulating pumps (2,250 Hrs./yr.) (20 KW) (0.8)	=	36,000 KW HRS.

5. Roof fans (8,760 Hrs./yr.) (4 KW) (0.8)	=	28,032 KW HRS.
6. Lighting (8,760 Hrs./yr) (14.5 KW) (0.8)	=	101,616 KW HRS.
7. Miscellaneous equipment (5,250 Hrs/yr.) (2KW) (0.5)	=	5,250 KW HRS.
TOTAL:	=	315, 348 KW HRS./yr.
315,348 KW HRS. @ 7.5 cents/KWH	=	$ 23,651.10

Demand Charge -

190.5 KW @ 40% DF = 76.2 KW 76.2 KW @ $24.50 KW/month X 12	=	$ 22,402.80

Total House Cost:	KW HRS. charge	=	$ 23,651.10
	Demand charge	=	$ 22,402.80
	Total Yearly Cost:	=	**$ 46,053.90**

Apartment Units - Monthly Operating Costs

2-BR unit (2,090 SF)

a. Lighting & receptacles (6 Hrs./day) (30 days) (6.2 KW) (0.25)	=	279.0 KW HRS.
b. Appliances (6 Hrs./day) (30 days) (2.0 KW) (0.8)	=	288.0 KW HRS.
c. Electric Convection Oven (1.0 Hrs/day)(30 days)(6.0 kw)(0.8)	=	144.0 KW HRS.
d. Washer/Electric dryer (8 Hrs./month) (5.0 KW) (0.7)	=	28.0 KW HRS.
e. Fan Units No. of fan coil units: (2)(360 hrs)(0.12KW)(0.45)	=	38.88 KW HRS.
TOTAL:	=	777.88 KW HRS.

777.88 KW HRS. @ $0.209/KWH = $ 162.58/month

2-BR units (2,153 SF)

a. Lighting & receptacles (6 Hrs./day) (30 days) (6.46 KW) (0.25)	=	290.7 KW HRS.
b. Appliances (6 Hrs./day) (30 days) (2.0 KW) (0.8)	=	288.0 KW HRS.
c. Electric Connection Oven (1.0 Hrs/day)(30 days)(6.0 kw)(0.8)	=	144.0 KW HRS.
d. Washer/ Electric dryer (8 Hrs./month) (5.0 KW) (0.7)	=	28.0 KW HRS.
e. Fan Units No. of fan coil units:: (2)(250 hrs) 0.12KW)(0.45)	=	38.88 KW HRS
TOTAL:	=	789.58 KW HRS.

789.58 KW HRS. @ $0.209/KWH = $ 165.02/month

3-BR Duplex unit- (2,682 SF)

a. Lighting & receptacles (6 Hrs./day) (30 days) (8.0KW) (0.25)	=	360.0 KW HRS.
b. Appliances (6 Hrs./day) (30 days) (2.0 KW) (0.8)	=	288.0 KW HRS.
c. Electric Connection Oven (1.0 Hrs/day)(30 days)(6.0 kw)(0.8)	=	144.0 KW HRS.
d. Washer/ Electric dryer (8 Hrs./month) (5.0 KW) (0.7)	=	28.0 KW HRS
e. Fan Units (5)(250 hrs)(.12KW)(0.45)	=	67.5 KW HRS.
TOTAL:	=	887.5 KW HRS.

887.5 KW HRS. @ $ 0.209/KWH = $ 185.49/month

Summary

• Total Common Charges	=	$ 136,015.82 /yr
• 2-BR unit (2,090 SF)	=	$ 162.58 /month
• 2-BR unit (2,153 SF)	=	$ 165.02 /month
• 3 BR Duplex unit - (2,682 SF)	=	$ 185.49/month

If you need any additional information, please do not hesitate to call.

Sincerely,

Opie Athwal, P.E.

Cc: Robert Miller-----Intell Management and Investment Co.

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COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

PENMARK
REALTY CORP

PART 20: LETTER TO ATTORNEY GENERAL
RE: REAL PROPERTY LAWSECTION 339-i (1) (iv) COMPLIANCE

June 8, 2005

New York State Department of Law
Investment Protection Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
The 15 West 20th Street Condominium
15 West 20th Street
New York, New York ("Property")

Dear Sir/Madam:

Strategic Chelsea LLC, ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained Penmark Realty Corporation ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

The Firm is licensed as a real estate brokerage firm in the State of New York. The principals of the Firm have been engaged in the real estate and brokerage business for over 32 years and have been actively associated with sale and management of condominium and cooperative buildings.

The Firm has been advised by Sponsor that the Common Interest of each Unit has been determined in accordance with Real Property Law Section 339-i (1) (iv) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

In the Firm's opinion, within the framework of Real Property Law Section 339-i(1) (iv), this method of determining Common Interest is reasonable and equitable.

The Firm certifies that it is not owned or controlled by Sponsor and that it has no financial interest in the offering other than its fee for services rendered in connection with the preparation of this letter. The Firm understands that a copy of this letter is intended to be incorporated into the Offering Plan.

All capitalized terms not defined in this letter shall have the meaning ascribed to them in the Offering Plan.

Very truly yours,

PENMARK REALTY CORPORATION

By: _____
Name: Bernard Friedman
Title: President

COMMERCIAL UNIT

The Condominium will contain one (1) Commercial Unit located on portions of the Cellar and Ground Floor. The Commercial Unit will initially be retained by Sponsor and is not offered for sale under this Plan.

The Commercial Unit may be used for any lawful purposes, including, without limitation, department and other retail stores, theaters, banks, restaurants and commercial and professional offices, studios and storage space. The Commercial Unit will be serviced by a venting flue for use in the event the Commercial Unit is used as a restaurant. Therefore, the use of the Commercial Unit may generate noise, traffic, fumes or other disturbances over which the Residential Unit Owners will have no control.

The Commercial Unit Owner may adopt rules or approve changes relating solely to the Commercial Unit, including rules of operation. No rules affecting the operation of the Commercial Unit may be adopted or modified by the Condominium Board without the consent of the Commercial Unit Owner. Notwithstanding the foregoing, if the insurance premiums for the Condominium are increased as the result of a particular use of a Commercial Unit, the Commercial Unit Owner of said Unit shall be responsible for such increase in premium. All or any part of the Commercial Unit may be leased or subleased by the Commercial Unit Owner, all as more fully set forth in the Declaration. The Commercial Unit may be sold without prior notice. The Residential Unit Owners, other than Sponsor, will have no interest in the rents, profits or revenues from the rental or use of the Commercial Unit.

No representation is made with respect to the continued ownership by Sponsor of all or any portion of the Commercial Unit or as to who the tenants or occupants of any portion of the Commercial Unit may be, at any time, or as to the uses to which any portion of the Commercial Unit may be put at any time (except that the Commercial Unit may be used for any lawful purpose), and no assurance is given that such tenants, occupants or uses will not be objectionable to Residential Unit Owners or other parties.

The basis for projecting the share of expenses attributable to the Commercial Unit is the Common Interest of such Units except that, as described below and in Schedule B, the Commercial Unit Owner shares the costs for contingencies, insurance, electricity for the Common Elements, management fees, service contracts, taxes and permits, legal and audit and Maintenance in accordance with their Common Interests, and shares only a portion of other costs, such as the cost for labor and related expenses and electricity for the common areas based upon estimated usage. Other costs such as the costs for water and sewer, cooking gas, gas heat and hot water are not borne at all by the Commercial Unit Owner because such utilities and/or services are either separately metered for or not used by or do not benefit the Commercial Unit Owner.

According to the opinion of Penmark Realty Corp., the Common Charges projected to be payable by the owners of the Commercial Unit are adequate to cover the Common Expenses fairly attributable to the Unit.

The Declaration and By-Laws authorize the special allocation and apportionment of profit and expenses or specific expense item based on special or exclusive use or availability or exclusive control of particular Units or Common Elements. Any dispute regarding such allocation or apportionment shall be resolved by arbitration in accordance with the By-Laws, which provides for the arbitration to be conducted before one arbitrator in New York City by the American Arbitration Association.

The Commercial Unit Owner has the right to freely sell its Units, or to freely lease all or part of the Commercial Unit, as the case may be, without having to first offer the same for sale or lease to the Board.

Certain easements have been reserved to the Commercial Unit Owner in the Declaration. The Commercial Unit Owner and its tenants, successors and assigns to the extent permitted by Law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property, including but not limited to signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building, for the purposes of advertising (i) the sale or lease of any of the Unsold Residential Units and all or any portion of the Commercial Unit provided, however, that any such signs are in keeping with the first class luxury nature of the Building and will not block any windows in a Residential Unit, and (ii) the operation of any business of a tenant or occupant of all or any portion of any Commercial Unit. The Commercial Unit Owner and its tenants, successors and assigns shall have an easement to erect, maintain, repair and replace from time to time, lights and lighting fixtures on the Common Elements of the Condominium.

The Condominium Board, at the request of Sponsor or a Commercial Unit Owner, will enter into a recognition agreement with any tenant with which Sponsor or a Commercial Unit Owner or its designee has entered into a lease for all or any part of the Commercial Unit. Under the terms of the recognition agreement, the tenant will acknowledge that the lease is subject and subordinate to the Declaration and the Board will agree that so long as there is no event of default under said lease, as would entitle Sponsor or a Commercial Unit Owner or any successor landlord under the lease to terminate the lease or dispossess the tenant thereunder, the tenant shall not be named or joined in any action or proceeding to foreclose the Board's lien on a Commercial Unit for Common Charges or any other sums of any sort, and the Board shall agree that the lease shall not be terminated nor shall the tenant's use, possession, or enjoyment of the Commercial Unit in question be interfered with, nor shall the leasehold estate granted by the lease be affected in any manner, nor shall any of the rights of the tenant granted under the lease be affected in any manner, in any foreclosure or other action or proceeding instituted under or in connection with such lien or in the exercise of any rights of the Board, or, in case the Board takes possession of a Commercial Unit pursuant to any provision of the Declaration or By-Laws, or otherwise; provided however that if the Board or any other party succeeds to the interests of Sponsor or a Commercial Unit Owner under the lease the tenant will agree to be bound to such Board or party under all of the terms, covenants and conditions of the lease and the tenant will attorn to such Board or party as its landlord.

Sponsor shall have, and the Units and Common Elements shall be subject to, an easement to use the Common Elements of the Building. Sponsor's easement will not expire and will remain in effect after the Sponsor no longer owns any Units in the Building. Common Elements

may be used by Sponsor for any lawful purposes including, but not limited to, the purposes of (a) installing, utilizing, operating, maintaining, repairing, altering, rebuilding, restoring and replacing satellite dishes and other communication equipment on the roofs and facade of the Building and elsewhere on the Common Elements and the conduit and other Facilities relating thereto and (b) maintaining any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the Maintenance thereof; provided that access to any Unit or Common Element in furtherance of such easements shall be exercised in a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Section or with the use of the Residential Units for their permitted purposes. The aforementioned easements may be used by Sponsor, its designee, tenant, assignee or licensee for its own account or the account of any designee, tenant, licensee or assignee of Sponsor for the purpose of servicing the Condominium or any other building or area. The Condominium shall not be entitled to any portion of fees, compensation or other profits received by Sponsor, its designee, tenant, assignee or licensee for the use of the aforesaid easements or equipment. Any satellite dishes or other facilities placed upon the roof, the facade of the Building or any other portion of the Common Elements by Sponsor, its assignee or licensee shall be the exclusive property of Sponsor, its designee, tenant, assignee or licensee and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto.

Notwithstanding anything to the contrary contained the Plan and to the extent permitted by Law, Sponsor reserves the right any time before the Declaration is filed to redesignate the Commercial Unit as a Residential Unit. Any such change may affect the Residential Common Interest and the Common Charges payable by each Residential Unit. Please refer to the Section entitled "Changes and Prices and Units" for further details.

CHANGES IN PRICES AND UNITS

Changes in the Residential Section

Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of the Board, Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Residential Unit, except that no such change with respect to any Residential Unit for which an Agreement is then in effect may be made without the consent of the Purchaser. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices or modify other terms of sale without filing an amendment to the Plan at any time during the offering period if such a decrease in the purchase price or modification of such other terms of sale does not constitute a general offering or an advertised price but is rather the result of an individually negotiated transaction. If any such change is made, a Purchaser of a Residential Unit affected thereby may pay more or less than other Purchasers under the Plan for similar Residential Units, but this will not affect any prior or subsequent sale of Residential Units which are not the subject of such change.

Sponsor reserves the right to individually negotiate with each Purchaser, the terms and conditions of the Agreement, including but not limited to terms and conditions pertaining to: purchase price; the amount of the Deposit; financing and other contingencies; the availability of financing; the payment of Purchaser's financing fees and other closing costs; work to be performed in the Unit or the revision of floor plans and the allocation and payment of costs therefor; the availability of Common Charge rebates, Purchase Price rebates and subsidies payable as a credit against the Purchase Price or on a periodic basis; extensions of time periods within which to perform obligations under the Agreement; the availability of interim leases and the amount of interim rent; and the application of rent towards the Purchase Price. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" under the Subsection entitled "Leasing and Use of Unsold Units" for further discussion regarding the terms and conditions of any interim leases.

Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers without further amendment to this Offering Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission under an Agreement.

In the event Sponsor agrees, in its sole discretion, to enter into an interim lease for a Unit, Purchasers are advised that the tenancy under such interim lease is not subject to governmental regulation as to amount of rent or terms and that a default under the interim lease will constitute a default under the Agreement.

In order to meet the possible varying demand for number and type of Residential Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the

consent of the Board, Unit Owner or mortgagee, to (a) change the layout of, or number of rooms in, any Unsold Residential Unit, (b) change the size and/or number of Unsold Residential Units by dividing one or more such Units into two or more separate Unsold Residential Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Unsold Residential Units, altering any boundary walls between one or more Unsold Residential Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Residential Unit into such Unsold Residential Unit, (c) designate a Residential Common Element or Residential Limited Common Element, Commercial Common Element or General Common Element as part of a newly created or expanded Residential Unit, Commercial Unit, Commercial Common Element, Residential Common Element, Residential Limited Common Element or designate all or part of a Residential Unit as a newly created or expanded Commercial Unit, Residential Common Element, Residential Limited Common Element, or Commercial Common Element and (d) if appropriate, reapportion among the Unsold Residential Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b), (c) or (d) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Residential Unit, will be made with respect to any Unsold Residential Unit for which an Agreement is then in effect and the Purchaser thereunder is not in default unless (i) the Purchaser consents to such change or (ii) such change is not a material change in the size, common interest, dimension, floor space or layout of such Unsold Residential Unit. The Common Interest of a Unit may change if there is a change in the floor space or 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.

No material change will be made in the size or number of Units and/or in the size or quality of the Common Elements except by amendment to the Plan and, when applicable, by amendment to the Declaration. Unless an affected purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if an Agreement has been executed and delivered to sponsor for that Unit and the Purchaser is not in default. No material change will be made in the size and no material adverse change will be made in the quality of Common Elements, and, in such event, Purchasers not in default shall receive a right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation of an amendment setting forth the right to rescind. Sponsor will return any deposit or downpayment promptly to Purchasers who rescind.

Once the Declaration is recorded, no change may be made in the number of Units nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest of any Unit be changed, unless, in each such event, the Declaration and Floor Plans and this Plan are amended with the consent of each Unit Owner whose Unit is so changed. Sponsor will have the right to amend or to cause the Condominium Board to amend the Declaration to reflect any such change and to file such amendment and any necessary plans and specifications in connection therewith.

As long as the layout and dimensions of a Residential Unit conform substantially to the Residential Unit Plans, a Purchaser will not be excused from purchasing the Residential Unit and

will not have any claim against Sponsor as a result of any insubstantial or immaterial change or discrepancy.

INTERIM LEASES

Sponsor and the owner of any Unsold Residential Unit reserves the right with respect to any Unsold Residential Unit, prior to the date of closing thereto, to rent or lease such Unsold Residential Unit on an interim basis for such rent and term and on such other conditions as may be agreed to between Sponsor or such owner and a Purchaser. Purchasers are advised that the tenancy under such Interim Lease is not subject to governmental regulation as to amount of rent or terms. No occupancy may commence until a temporary Certificate of Occupancy has been obtained for such Unsold Residential Unit. The interim lease will provide, however, among other things, that an uncured default by the Purchaser under the Agreement with respect to the Unsold Residential Unit which is the subject of the interim lease will constitute a default under the interim lease entitling Sponsor or such owner, at its option, to terminate such interim lease in accordance with applicable Law. In addition, each Agreement may provide that an uncured default by the Purchaser under any lease or use and occupancy agreement with respect to the Unsold Residential Unit which is the subject of the Agreement will constitute a default under the Agreement entitling Sponsor or such owner, at its option, to terminate such Agreement and to exercise any remedies therein provided; provided however, that before Sponsor or such owner utilizes the default under the interim lease to declare a default under the Agreement, Sponsor or such owner will either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unsold Residential Unit. A Purchaser will have thirty (30) days to vacate a Unsold Residential Unit after a default under the Agreement or the exercise of a right of rescission.

Purchasers entering into an interim lease for an Unsold Residential Unit will be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the interim lease. All other charges or other fees due under a interim lease will be adjusted as of the Closing to the Residential Unit. Notwithstanding any of the foregoing, Sponsor will be under no obligation to enter into any interim lease and no portion of the rent paid under an interim lease will be credited towards the Purchase Price of a Unit unless the interim lease expressly provides.

PROCEDURE TO PURCHASE

A person desiring to purchase a Residential Unit will be required to execute an Agreement in quintuplicate (i.e., five (5) original copies), which will be substantially in the form set forth in Part II of the Plan.

Prospective purchasers shall be afforded not fewer than three business (3) days to review the Plan and all amendments thereto prior to executing an Agreement. If a Purchaser has not received and read the Plan at least three (3) full business days prior to executing an Agreement, a purchaser shall have the right to rescind the Agreement and have the full deposit refunded promptly within seven (7) days after delivering an executed Purchase with the required deposit. The Purchaser must either personally deliver a written notice of rescission to the Sponsor or Selling Agent within the seven (7) day period or mail the notice of rescission to the Sponsor or Selling Agent and have the mailing postmarked within the seven (7) day period. The Agreement sets forth in detail the terms of sale with respect to each Residential Unit and should be read carefully by each prospective purchaser. Prospective purchasers should be aware that if any conflict exists between the Plan and the Agreement, the provisions of the Plan shall in all events control except where such provisions were requested by Purchaser and agreed to by Sponsor.

Although a Purchaser may obtain financing from a lending institution or any other source, Purchaser's obligation to purchase a Residential Unit pursuant to the Agreement shall not be contingent on Purchaser obtaining financing for such purchase.

Agreements will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the prospective Purchaser or such Purchaser's attorney. Sponsor will have thirty (30) days after delivery by Purchaser of an executed Agreement and the Deposit required thereby, within which to accept or reject such Agreement. Sponsor reserves the right to request thorough identification and financial information concerning any prospective purchaser, subject to any limitations and requirements imposed by Law.

If an Agreement is not accepted by Sponsor within the aforesaid thirty (30) day period (by Sponsor executing the Agreement and returning same to Purchaser or Purchaser's counsel within the aforesaid thirty (30) day period), the Agreement shall be deemed to have been rejected and canceled and all sums theretofore deposited thereunder, without interest, shall be promptly returned to the prospective purchaser. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without prior notice or prior amendment to the Plan and without the consent of the Board, to refuse to approve and execute an Agreement for any Residential Unit, except as prohibited by Law. No prospective purchaser will have any claim against Sponsor for Sponsor's failure to execute an Agreement.

The Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law of the State of New York.

At the time of execution of an Agreement, a Purchaser is required to make a payment in an amount equal to at least the sum of ten percent (10%) of the purchase price (the "Initial Deposit") with an additional five percent (5%) of the purchase price (the "Additional Deposit")

due and payable no later than the earlier to occur of: (i) four (4) months after the date of the Agreement or (ii) fifteen (15) days after Sponsor presents an amendment declaring the Plan effective, but in no event later than the Closing, subject to collection. The Initial Deposit and the Additional Deposit are hereinafter collectively referred to as the "Deposit."

All Deposit checks must be made payable to the direct order of "STROOCK & STROOCK & LAVAN LLP, ESCROW AGENT." All checks delivered in payment of the Deposit (other than any portion thereof paid at Closing) shall be accepted subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Agreement to be canceled and of no further force or effect.

Each prospective purchaser should note that Sponsor is only obligated to provide the equipment, fixtures and furnishings described in the "Description of Property" set forth in Part II of this Plan. If a person desiring to purchase a Residential Unit requests that Sponsor perform special work on such Residential Unit or provide extra furnishings, including, but not limited to, any deviation from the materials or specifications described in the "Description of Property," and Sponsor agrees to perform such special work and/or provide such furnishings, then a description of such work or furnishings shall be inserted as an addition to the Agreement and Sponsor may require such person to pay for said special work or furnishings. However, Sponsor shall be under no obligation whatsoever to agree to perform any special work or provide extra furnishings for a Purchaser, nor shall Sponsor have any obligation to allow a Purchaser or its agents to perform any special work or install extra furnishings prior to Closing. Any and all special or additional work which a Purchaser desires to be performed with regard to a Residential Unit shall be done only upon Sponsor's written consent thereto and Sponsor's approval of all contractors and suppliers in connection therewith, which consent and approval are within the sole discretion of Sponsor. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment or Common Element or in any advertisements with respect thereto, imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to Purchaser unless Purchaser agrees to pay Sponsor an amount determined by Sponsor in addition to the purchase price for such Residential Unit.

The balance of the purchase price shall be payable simultaneously with the delivery of the deed to the Residential Unit by an official bank check or an unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association and shall be payable to the direct order of Sponsor, or otherwise if Sponsor should so notify Purchaser. The deed will be substantially in the form set forth in Part II of the Plan. Interest, if any, on Purchaser's Deposit will be credited or paid to Purchaser at Closing.

TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF THE BALANCE OF THE PURCHASE PRICE. FUNDS DRAWN ON OUT-OF-STATE OR FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE FOR A RESIDENTIAL UNIT.

After an amendment declaring the Plan effective has been accepted for filing, Sponsor will serve Purchasers with written notice of the originally scheduled Closing Date at least thirty (30) days prior to the originally scheduled Closing Date and, in the event Purchaser fails to close on the designated date, then Purchaser will have a thirty (30) day period after written notice within which to cure such default, time being of the essence, following which Sponsor shall have the remedies set forth below. A Purchaser may waive written notice of such Purchaser's Closing Date.

At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board, the Residential Board and Sponsor substantially in the form set forth in Part II of the Plan. Failure of the Purchaser to execute and acknowledge the power of attorney shall constitute an event of default.

In the event of any default by a Purchaser under an Agreement where the Purchaser does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, either (a) cancel such Agreement and retain the Deposit made by Purchaser, together with any interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Sponsor and Purchaser shall wholly cease and terminate or (b) bring an action against Purchaser for specific performance. In addition, Sponsor shall also be entitled to retain (i) any costs or expenses incurred by Sponsor for special work requested by Purchaser and (ii) the reasonable cost to restore the Residential Unit to its condition prior to such special work being performed. Sponsor will be entitled to maintain an action against purchaser for such additional costs.

Sponsor will fix dates for closing title to all Unsold Residential Units for which Agreements have been executed by serving notice upon each Purchaser stating the scheduled date of the First Closing setting such Purchaser's Closing Date.

If a Purchaser fails for any reason to close title to the Residential Unit on the originally scheduled Closing Date (a) the closing apportionments described in the Section entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Residential Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Agreement and this Plan, an amount equal to 0.03% of the purchase price of the Residential Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

Prior to the closing of title to a Residential Unit, the Agreement prohibits a contract vendee from listing the Residential Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Residential Unit for sale or lease, without Sponsor's prior written consent. In addition, a Purchaser (other than a Purchaser purchasing for such Purchaser's own occupancy) may not advertise, list or sell a Residential Unit acquired from Sponsor for twelve (12) months after acquisition of such Residential Unit (provided however, such limitation shall not apply from and after the date that the Sponsor

conveys title to all of the Residential Units). Any such conveyances in violation of the foregoing will be voidable by Sponsor.

It is anticipated that the First Closing will occur by the commencement date for the First Year of Condominium Operation as set forth in Schedule B which is May 1, 2006. If the First Closing does not occur by April 30, 2006, as such date may be extended by duly filed amendment to the Plan, Sponsor will amend the Plan to update the budget and to offer Purchasers the right to rescind their Agreements within fifteen (15) days after the presentation of the amendment disclosing the updated budget, and any Purchaser electing rescission will have their Deposits and any interest earned thereon returned. If the Plan is withdrawn or abandoned, the Deposit previously paid to and actually collected by Sponsor, together with any interest earned thereon, shall be returned to Purchaser within fifteen (15) days of the date of such withdrawal or abandonment, in accordance with the provisions herein set forth.

The risk of loss to any Residential Unit by fire or other casualty until the Closing for such Residential Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit pursuant to an interim lease or written agreement with Sponsor, at which time such risk shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Residential Unit. In the event of damage or destruction of a Residential Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Residential Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the purchase price for the subject Residential Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Residential Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Residential Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of Unit Owners and Board of Managers"), the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

Notwithstanding anything to the contrary set forth above, in the event that an Agreement is terminated or rescinded for any reason, Sponsor may retain escrow funds equal to the cost for special work performed at the request of the Purchaser as well as the cost of any work necessary to restore the Residential Unit to its condition prior to such work having been performed.

From and after the Closing of each Residential Unit, Purchaser will become obligated for the payment of Common Charges, real estate taxes and assessments (including water charges and sewer rents, if separately assessed) and all other expenses with respect to such Residential Unit

Owner's Unit, whether or not the Residential Unit Owner has taken possession of such Residential Unit Owner's Unit, and whether or not all work required to be performed by Sponsor or anyone else in or to the Residential Unit or the Building has been completed.

At Closing, each Purchaser is obligated to execute and deliver the Power of Attorney substantially in the form set forth in Part II of the Plan. It shall be a default under the Agreement if Purchaser fails to deliver the Power of Attorney, which default shall entitle Sponsor to all of its remedies in the event of such default.

Agreements are not assignable without the prior written consent of Sponsor, which consent may be granted or denied by Sponsor in its sole discretion. If Purchaser is a corporation, partnership, limited liability company, trust or other legal entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the ownership interest of Purchaser (including without limitation, the stock, membership or beneficial interests of the stockholders, partners, members or beneficiaries of Purchaser or its stockholders, partners, members or beneficiaries) shall be considered an assignment of this Agreement.

Escrow and Trust Fund Requirements

All Deposits received by Sponsor under an Agreement will be held in escrow in conformity with the provisions set forth below.

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto. No change will be made to the escrow account unless Sponsor submits and amendment to this Plan.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the escrow agent holding trust funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Plan or in an Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

All Deposits made by Purchasers prior to the closing of each individual transaction, will be placed, within five (5) business days after tender of the Deposit and executed Agreement by Purchaser to Sponsor or Selling Agent, in a segregated special escrow account of Stroock & Stroock & Lavan LLP, the escrow agent (the "Escrow Agent"), whose address is 180 Maiden Lane, New York, New York 10038 and whose telephone number is (212) 806-5400. Escrow Agent has established a master escrow account at Commerce Bank at its branch located at 25 Hudson Street, New York, New York 10013 entitled Stroock & Stroock & Lavan LLP, Escrow Account No. [redacted] (the "Master Escrow Account"). The attorneys who are signatories on this account authorized to withdraw funds are: Leonard Boxer, Esq., Michel Evanusa, Esq., Brian Diamond, Esq., Karen Scanna, Esq., Ross Moskowitz, Esq., Martin Neidell, Esq., Stuart Coleman, Esq., and Harvey Brown. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. Each Purchaser is required to deliver a

completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form set forth in Part II of the Plan or a Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), in the form set forth in Part II of the Plan, as applicable, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8BEN, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow savings account in the name of Purchaser. If a Purchaser does not deliver the Form W-9 or Form W-8BEN, signed and fully completed with the taxpayer identification number, if required, the Deposit will remain in the non-interest bearing checking portion of the Master Escrow Account and Sponsor will have no obligation to provide interest to a Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon. Commerce Bank is covered by federal bank deposit insurance to a maximum of $100,000 per individual deposit. The following are special risks of this offer: (i) if a Purchaser makes a Deposit in excess of $100,000 for the purchase of a unit, such Deposit will not be federally insured in excess of $100,000; and (ii) while the Deposit is in the non-interest bearing checking portion of the Master Escrow Account, the Deposit may not be fully federally insured even if the Deposit does not exceed $100,000.

The Deposit may be tendered by Purchaser to Sponsor or Selling Agent by either personal delivery, delivery by messenger or courier service or mailed by certified mail, return receipt requested, overnight courier or express mail service. The Deposit shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or Selling Agent together with a fully executed Agreement.

Acceptance of the Deposit by Sponsor or Selling Agent and the placement of the Deposit into the special escrow account, shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes an Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Agreement to Purchaser in accordance with the terms of the Plan.

If a Purchaser tenders a Deposit without an executed Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within five (5) business days after tender, if the Deposit has not been deposited into escrow, and (ii) at any time, if the Deposit has been deposited into escrow.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow savings account portion of the Master Escrow Account will be interest-bearing. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Agreement, or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to Sponsor only in the event Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts which varies. When last confirmed by Sponsor, the rate was 1.00% for Deposits between $100,000 and $500,000 and 1.00% for Deposits greater than $500,000. Sponsor makes no representations or guaranties that the interest rate paid on Deposits will not increase or decrease and makes no representations regarding the interest which will be paid on the Deposits. Interest will begin to accrue within: (i) three (3) business days, if the Deposit is cash or cash equivalent, or (ii) five (5) business days, if the Deposit is other than cash or cash

equivalent. All instruments shall be made payable directly to the order of "Stroock & Stroock & Lavan LLP, as Escrow Agent." Endorsed instruments will not be accepted. Information regarding the Escrow Account may be provided to Sponsor and Sponsor's construction lender which may be entitled to access to records with respect thereto.

ESCROW AGENT'S NOTICE THAT THE DEPOSIT HAS BEEN DEPOSITED WILL NOT MEAN THAT PURCHASER HAS BEEN APPROVED AS A PURCHASER OR THAT THE AGREEMENT HAS BEEN SIGNED BY SPONSOR. IT SIMPLY MEANS THE CHECK HAS BEEN DEPOSITED.

In the event a check delivered by a Purchaser fails of collection, the Agreement will be deemed void ab initio (as if the Agreement had never been executed) at the option of Sponsor, who reserves the right to exercise this option in its discretion by written notice to Purchaser given within five (5) business days of Sponsor receiving notice from Escrow Agent of such failure of collection.

With respect to the release of the Deposit, under no circumstances shall Sponsor apply for a release of the Deposit of a defaulting purchaser until after consummation of the Plan. The consummation of the Plan does not relieve the Sponsor of its obligations pursuant to GBL Section 352-h. Within ten (10) business days after tender of the Deposit, Escrow Agent will notify Purchaser that such funds have been deposited into escrow and will provide the account number and the initial interest rate, if any. If Purchaser does not receive notice of such Deposit within fifteen (15) business days after tender of the Deposit, Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the Deposit. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations.

Escrow Agent will hold the Deposit in escrow until otherwise directed in:

(i) a writing signed by both Sponsor and Purchaser; or

(ii) a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations; or

(iii) a judgment or order of a court of competent jurisdiction.

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

Sponsor shall not object to the release of the escrowed funds to:

(1) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or in an amendment to the Plan; or

(2) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

Purchaser will not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title under the Agreement.

Purchasers and Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the Deposit and any interest thereon. Sponsor must avail itself of this procedure if there is a dispute which needs to be resolved. A form for this purpose is set forth in Part II of the Plan. The party applying for a determination must send to all other parties by certified mail, return receipt requested, a copy of the application.

Pending the determination of the Attorney General to grant or deny the application, Sponsor, Purchaser and Escrow Agent shall abide by any interim directive issued by the Attorney General.

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

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

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

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

Set forth in Part II of the Plan is a copy of the form of escrow agreement between Sponsor and Escrow Agent which incorporates the terms of the Attorney General's regulations.

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Deposit or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Deposit and continues to act as Escrow Agent.

Sponsor has agreed to indemnify Escrow Agent from all costs, claims, expenses and damages incurred in connection with or arising out of the escrow agreement or the performance or non-performance of Escrow Agent's duties under the escrow agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the escrow agreement or involving gross negligence of Escrow Agent.

Sponsor has agreed to compensate Escrow Agent for services rendered in connection with Escrow Agent's duties under the escrow agreement, if any. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

Escrow Agent will maintain all records concerning the Master Escrow Account for seven years after the release of funds. The Department of Law may perform random reviews and audits of any records involving escrowed accounts to determine compliance with the applicable statute and regulation.

Sponsor may agree to modify the floor plans and finishes of certain Residential Units or to do special work or provide extras to the Residential Units as requested by individual Purchasers as negotiated by Sponsor and Purchaser. Purchaser shall bear the cost of such modification to floor plans and finishes. All funds received by Sponsor from Purchasers for such modified or additional work in Units, as aforesaid, shall be initially placed in escrow and shall be paid to Sponsor by the escrow agent to be used by Sponsor to pay for such work. Accordingly, in the event a Purchaser becomes entitled to rescission after the release of such funds, the Purchaser shall not receive a refund of any funds used for special work or extras.

The Plan and all Agreements are subject to the requirements of Section 71-a(3) of the Lien Law a copy of which is set forth in Part II of the Plan and incorporated into the Plan and the Agreement by reference. Please refer to Part II of the Plan for further details.

EFFECTIVE DATE

Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., Agreements signed by bona fide purchasers for 15% of the Units offered under the Plan). The Plan must be declared effective when Agreements have been executed by prospective purchasers and accepted by Sponsor with respect to eighty (80%) percent of the Units offered for sale. The Plan may be declared effective at an earlier date, at Sponsor's sole election, when bona fide Agreements (including those executed by investors) have been executed and accepted by Sponsor with respect to fifteen (15%) percent of the Units being offered for sale under the Plan.

Sponsor's offer to sell the Units under this Plan is contingent upon the Plan being declared effective pursuant to Section 20.3(q) of Title 13 NYCRR (i.e., Agreements signed by bona fide purchasers for 15% of the Units offered under the Plan). The Plan must be declared effective when Agreements have been executed by prospective purchasers and accepted by Sponsor with respect to eighty (80%) percent of the Units offered for sale. The Plan may be declared effective at an earlier date, at Sponsor's sole election, when bona fide Agreements (including those executed by investors) have been executed and accepted by Sponsor with respect to twenty-five (25%) percent or fewer (but in no event less than fifteen (15%) percent) of the Units being offered for sale under the Plan.

The Plan will not be declared effective based on Agreements: (i) signed by purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) signed by purchasers who have not been afforded at least three (3) business days to review this Plan and all filed amendments prior to executing an Agreement or at least seven (7) days to rescind; or (iii) signed by any purchaser who is Sponsor, the Selling Agent, the Managing Agent, or a principal of either, or is related by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner of Sponsor, the Selling Agent, the Managing Agent or a principal of either (except that such a purchaser other than Sponsor or a principal thereof may be counted only if Sponsor has submitted proof satisfactory to the Department of Law establishing that the purchaser is bona fide).

This Plan will be declared effective either by: (a) personal service of written notice to all purchasers and, within five (5) business days following such notice, an amendment to this Plan confirming that this Plan was declared effective as of the date of such notice will be submitted to the Department of Law, which amendment, upon acceptance for filing, will be delivered to all purchasers; or (b) by duly filed amendment to this Plan. The closing of title with respect to any Unit shall in no event take place prior to the acceptance for filing of such amendment to this Plan.

Prior to being declared effective, the Plan may, at the option of Sponsor, be abandoned at any time for any reason. After the Plan has been declared effective, the Plan may be abandoned in the event of: (a) the existence of one or more title defects (including violations of record or work orders of a mortgagee or insurance carrier) affecting any one or more Units or the Property that cannot be removed, cured or complied with without litigation or for less than one-half of one percent of the total offering in the aggregate, (b) substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date

set for the First Closing for less than one half of one percent of the total offering; or (c) a taking of all or part of the Property in condemnation proceedings or by eminent domain. Any stated dollar amount relied upon as a basis for abandonment after effectiveness must exclude any attorneys 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 the Sponsor or are a matter of public record.

In the event the Plan is withdrawn or abandoned, it will be by a duly filed amendment and all Deposits, together with interest earned thereon, if any, will be returned to Purchasers within fifteen (15) days following such withdrawal or abandonment. Upon the return of the Deposits, together with any interest earned thereon, the Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under the Plan or the Agreements. Funds received by Sponsor from a Purchaser for modified or additional work in Residential Units, if any, will not be returned to such Purchaser following withdrawal or abandonment of the Plan. Sponsor shall promptly submit an amendment to the Department of Law confirming such abandonment or withdrawal and, in the case of an abandonment, shall file a notice of abandonment on form RS-3 or such other form as the Department of Law may require and explain the reason for the abandonment and disposition of all funds received.

TERMS OF SALE

The term "Closing" as used herein refers to the conveyance of title to a Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the purchase price for such Unit. The Closing to each Unit shall be held at the offices of Sponsor's attorneys, Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038 or at such other place as Sponsor may designate on not less than two (2) business days' prior notice. The Closing to each Unit shall take place only after or concurrently with the following events:

a. the Plan has been declared effective in accordance with its terms and the amendment to the Plan disclosing same has been accepted;

b. the recording or filing of the Declaration, By-Laws, Floor Plans and engineer's and tax authority certifications required by Section 339-p of the New York Condominium Act or other applicable Law and such other documents as may be required by Law;

c. either (i) the release of the Unit and its appurtenant interest in the Common Elements from the lien of all mortgages, if any, or (ii) if the Purchaser is obtaining financing on such Unit, the assignment to the Purchaser's mortgagee of any existing mortgage(s) encumbering such Unit and its appurtenant interest in the Common Elements;

d. the delivery to Purchaser of written notice of the time and place of the Closing to the Unit at least thirty (30) days prior to the Closing Date specified therein, including a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine the Unit and the Property, during normal business hours and in the company of Sponsor's agent, prior to Closing;

e. the execution and delivery by Sponsor of a bargain and sale deed with covenants against grantor's acts (which deed shall be substantially in the form set forth in Part II of the Plan) conveying title to the Unit and its appurtenant Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances;

f. the assignment by Sponsor to Purchaser of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in the Unit, and the assignment by Sponsor to the Condominium Board of the right to proceed under any existing assignable warranties covering appliances, equipment or fixtures installed in the General Common Elements, Residential Common Elements or Residential Limited Common Elements, as the case may be. (Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Unit);

g. the execution and delivery by Purchaser of the Power of Attorney, the form of which is set forth in Part II of the Plan;

h. the issuance of a temporary or permanent certificate of occupancy for the entire project or, issuance of a partial, temporary or permanent certificate of occupancy for the Unit closed or the Building in which the Unit is located; and

i. if Purchaser has requested title insurance, the issuance to Purchaser (at Purchaser's sole expense) of a policy of title insurance in at least the amount of the purchase price of the Unit, insuring that (i) Purchaser has fee title to the Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions, (2) liens and encumbrances (other than Permitted Encumbrances) to which the Unit's title is subject, which have been expressly accepted by Purchaser, and (3) any mortgage and related security documents that Purchaser executes in connection with the financing of the purchase price of the Unit and (ii) the Condominium has been validly created pursuant to the Condominium Act.

Sponsor is not obligated to repair any damage from a casualty or other cause that occurs before the closing of a Purchaser's Unit. If Sponsor elects to repair any such damage, Purchaser's Agreement will remain in full force and effect, Purchaser shall not have the right to reject title or receive a credit against or an abatement in, the Purchase Price. Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. If Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, the Agreement shall be deemed canceled and Sponsor shall return to Purchaser all sums deposited by Purchaser under the Agreement, together with interest earned thereon, if any, and neither party shall have any further liability to the other except (i) if Purchaser is in default under the Agreement, Sponsor will retain any such sums as and for liquidated damages and (ii) Sponsor may retain escrow funds equal to the cost for special work performed at the request of the Purchaser as well as the cost of any work necessary to restore the Residential Unit to its condition prior to such work having been performed.

In the event of the existence of any lien or encumbrance other than Permitted Encumbrances, the sole remedy of Purchasers under the Plan will be to rescind their respective Agreements within fifteen (15) days after receipt of notice or an amendment disclosing such lien or encumbrance. A Purchaser electing to proceed with the purchase of a Unit will not be entitled to any credit against, or abatement of, the purchase price set forth in the Agreement and will have no claim or right of action against Sponsor by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money to make title marketable or to eliminate any encumbrances or title defects, except to incur expenses up to the aggregate amount of $50,000 in respect of the Building and of all Units.

The existence of mortgages, liens and encumbrances other than Permitted Encumbrances shall not be objections to title, provided bonds or properly executed instruments in form for recording necessary to satisfy or release Units from such impermissible liens or encumbrances are delivered at Closing and proper adjustments are made for the cost of recording or filing such instruments. Sponsor will bear the responsibility and cost of recording or filing such instruments.

The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of this Plan) and in General Business Law Section 352-e to survive delivery of the deed. The Purchaser of a Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan, provided that if Purchaser finds that Sponsor's improvements have not been completed as described in the Plan then Sponsor and the Purchaser in question will agree to include on the inspection statement a list of "punch list" work to be completed in the Unit by Sponsor following the Closing Date. Sponsor shall have no obligation to complete any work described herein which is not specifically designated by the Purchaser on the inspection statement. A Purchaser shall receive prior notice that a Residential Unit is available for inspection pursuant to this Paragraph. as more particularly set forth in the Agreement in Part II of the Plan and as described in the Section of the Plan entitled "Rights and Obligations of Sponsor." A Purchaser who fails to inspect such Residential Unit shall be deemed to have accepted the Residential Unit in good condition and in accordance with the terms of the Plan. After Closing of title to each Residential Unit the Purchaser thereof must comply with the procedures established by the Managing Agent regarding such Purchaser's move into the Residential Unit. This may include "move in" fees which will be refunded to the Purchaser unless the Purchaser or the Purchaser's agents damage the Common Elements or another Residential Unit during the move in.

In no event will Sponsor be responsible for any condition resulting from (i) normal wear and tear or natural deterioration or from the normal movement, settlement and/or shrinkage of the Building and/or Building materials; (ii) defects of an insubstantial nature, such as, without limitation, partial or total loss of any trees, shrubs, bushes or other landscape improvements, nail pops, protruding dry wall fastenings, ridging on gypsum board, lumber and wood trim shrinkage or warpage, door or window sticking, door warpage including, without limitation, warpage of the main entrance door within reasonable tolerances of doors of similar size and weight, scratches in plastic laminate, vitreous china, natural stone, wood, stainless steel or porcelain surfaces; bathroom finish grouting; adjustment of doors; walls not square and/or straight; electrical plates not straight; discoloration or shrinkage; slight separation between base and floors; (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in roof ballast, or concrete cracks which do not reduce the structural integrity of the Building; (iv) deviations in the level or straightness of ceilings, and imperfections in ceiling finishes; (v) imperfections in painting finishes; (vi) deviations in the level or straightness of a floor or failure of finished floors and walls to be straight or on plane or at less than 90° from each other; (vii) alignment of bathroom finishes and variation in grouting thickness; (viii) air infiltration and water infiltration from windows, vents, electrical outlets and similar openings in the wall, in accordance with customary practice and professional standards (ix) noise from normal plumbing, heating, ventilating and air conditioning operation; (x) normal floor noises and creaking; (xi) carpet or floor discoloring or stretching, (xii) scratches and imperfections or variations in width, length, thickness, finish or color range of wood floor strips or other flooring or floor finishes, also, normal shrinkage or expansion of wood flooring due to changes in moisture content of wood, or due to homeowner's failure to maintain consistent temperature; (xiii) repair of chips, scratches, mars, breaks, dents, cracks or other defects in: exterior stone; windows, window glass,

frames and hardware; insulation attached to the curtain wall; sliding glass doors, frames, door glass and hardware; louvers; shower doors; lighting fixtures, lenses, baffles and globes; all painted surfaces; all sinks, tubs, basins, waterclosets; kitchen cabinets, backsplashes and countertops; vanity tops and cabinets; all tile or natural stone floors and walls; saddles; all appliances; woodwork, millwork and doors; mirrors and after the Unit Closing, paint touch-ups, repair of dented appliances, or replacement of light bulbs; (xiv) cracks or variations in tone or color of natural stone or variations in tone or color of vanity tops or any other natural stone surfaces; (xv) leaching or color variation in color mortar and colored brick, and dimensional variations in brick joints, and mortar droppings on bricks; (xvi) ponding and/or controlled drainage on the roof surface; (xvii) cracks in pressure-treated lumber used or intended for use outside the Building; (xviii) cracks or discoloration in concrete used in cellar walls and paving; (xix) discoloration to hardware and plumbing finishes; (xxi) stains, runs, lumps, shags or imperfections in weave in fabric panels; (xx) scratched, dirty or cracked lenses in light fixtures; or (xxi) terrace tiles not laid flat, or color variation in tiles or mortar, or stained tiles; (xxii) subsequent to the Residential Unit Closing, paint touch-ups, repairs of dented appliances or replacement of fluorescent light ballasts, or (xxiii) salting or color variation in exterior colored mortar and deep colored brick. Sponsor will be obligated to repair only abnormally chipped stone, formica and porcelain surfaces, which repair will be made by filling the stone or formica or refinishing the porcelain, but Sponsor will not be obligated to replace such stone, formica or porcelain surfaces. THE ITEMS AND CONDITIONS DESCRIBED IN THIS PARAGRAPH ARE NOT DEFECTS AND MAY BE FOUND IN ANY NEWLY CONSTRUCTED BUILDING. PURCHASERS WHO PURCHASE A RESIDENTIAL UNIT IN THE BUILDING OR IN ANY OTHER NEWLY CONSTRUCTED BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR UNIT, THE COMMON ELEMENTS OR ELSEWHERE IN THE BUILDING. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF THESE ITEMS AND CONDITIONS AND WILL NOT BE LIABLE TO ANY PURCHASER OR THE BOARD THEREFOR. IF PURCHASERS OR THE BOARD DESIRES TO CORRECT OR REPAIR ANY OF THESE ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THEY WILL HAVE TO PROCEED AT THEIR SOLE COST AND EXPENSE BY THEMSELVES AND/OR UNDER ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO THEM BY SPONSOR.

As more fully set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor" Sponsor is obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Without limiting the generality of the foregoing, Sponsor hereby disclaims any and all express or implied warranties as to view, light quality, sound and/or odor transmission, the existence of molds, mildew, spores, fungi and/or other toxins within the Condominium. Sponsor has not given and Purchaser has not relied on or bargained for any such warranties. In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan will control. In no event will

Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise), including, without limitation, any costs associated with a Unit Owner vacating the Unit or its contents during any period of repair or alteration which Sponsor has agreed or is required to perform, it being intended that Sponsor's sole obligations under the Plan will be to repair or, at Sponsor's option, replace (or cause to be repaired or replaced) any defective item of construction (whether arising as a result of defects in material or improper workmanship or material substantially at variance with the Plans and Specifications), subject to the terms and conditions (and within the time limits) set forth in this paragraph.

Sponsor will not be obligated to correct and will not be liable to any Purchaser as a result of (i) any insubstantial variations from the Plans and Specifications or the description of any portion of the Building or a Residential Unit set forth in the Plan or (ii) variations from the Plans and Specifications or the description of any portion of the Building or a Residential Unit set forth in the Plan which are neither in violation of applicable building codes, nor require the approval of any governmental authority having jurisdiction, provided such variations are of substantially similar or better quality than as set forth in the Plans and Specifications or description in this Plan. Any such variation affecting the Property which is material will be disclosed in a duly filed amendment to the Plan.

All personal property located within the Unit on the date of the Agreement is signed or located within the Common Elements on the date the Declaration is filed, that is owned by the Sponsor or the owner of the property, is included in the conveyance to Purchaser unless specifically excepted in the Plan, as same may be amended from time to time.

CLOSING COSTS AND ADJUSTMENTS

As more particularly set forth in the Agreement, in addition to Purchaser's own legal fees, Purchaser will pay the closing costs set forth below at the time of the closing of title of the Purchaser's Unit. Recording charges, fees and taxes are based on rates in effect on the date of the Plan and are subject to change without notice and a Purchaser will not be relieved of Purchaser's obligation under an Agreement by reason of any change in such charges, fees or taxes.

(a) Purchaser will pay a contribution to the Working Capital Fund of the Residential Section in an amount equal to one (1) month's Common Charges then applicable to each Unit being purchased.

(b) Purchaser will pay the cost for title insurance. which will vary depending upon the purchase price of the Residential Unit. The premium as of the date of this Plan for owner's title insurance is currently seventy percent of the sum of $402 for the first $35,000 of fee insurance plus from $6.67 to $2.76 for each $1,000 of additional fee insurance or fraction thereof depending on the amount of insurance. The premium for mortgage title insurance is currently seventy percent of the sum of $344 for the first $35,000 of coverage plus from $5.55 to $2.31 for each $1,000 of additional mortgage title insurance or fraction thereof depending on the amount of insurance. These rates are subject to change without notice. If a Purchaser obtains title insurance from a title insurance company other than Commonwealth Land Title Insurance Company, having an office at 655 Third Avenue, New York, New York 10017, tel: (212) 949-0100, fax: (212) 983-8430, and Sponsor incurs additional legal fees and expenses as a result of the requirements of such title insurance company, the Purchaser will reimburse Sponsor at closing for the amount of such additional legal fees and expenses so incurred. Each title company utilized by a Purchaser must agree to submit all real estate transfer tax forms required to be submitted in connection with the conveyance of a deed to a Residential Unit and all transfer taxes due in connection therewith (as more particularly summarized in subparagraphs (e) and (f) below) and will be obligated to indemnify Sponsor for such title company's failure to file such transfer tax forms and remit the required transfer taxes in connection therewith in a timely manner.

(c) If a Purchaser obtains title insurance from a title insurance company other than Commonwealth Land Title Insurance Company and Sponsor incurs additional legal fees and expenses as a result of the requirements of such title insurance company, the Purchaser will reimburse Sponsor at closing for the amount of such additional legal fees and expenses so incurred.

(d) Purchaser will pay a fee for recording the deed, Power of Attorney, mortgage, if any, and any other document being $75 per instrument plus $5.00 per page as collected by Commonwealth Land Title Insurance Company (each title company establishes its own additional service and surcharges in this regard).

(e) If Purchaser obtains a mortgage loan, the Purchaser will pay Sponsor a sum equal to the partial mortgage tax credit to which Purchaser may be entitled pursuant

to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s).

(f) Purchaser will pay the New York City Real Property Transfer Tax ("RPT Tax"), which currently, for the purchase of a single Residential Unit is one (1%) percent of the purchase price of a Unit of $500,000 or less (1.425% of the purchase price if over $500,000), and the New York State Real Estate Transfer Tax ("NYS Tax"), presently $2.00 for each $500.00 (or part thereof) of the purchase price of a Unit. Purchasers will also be obligated to pay the filing fee for the RPT Tax form which is currently $50.00. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to tax. Therefore, the steps to compute the tax are:

I Multiply the purchase price by the RPT Tax rate to compute the City tentative tax.

II Multiply the purchase price by the NYS Tax rate to compute the tentative NYS Tax.

III Add the tentative taxes to the purchase price.

IV Multiply (iii) by the RPT Tax rate to determine the RPT Tax payable.

V Multiply (iii) by the NYS Tax rate to determine the NYS Tax payable.

Example for the purchase of a Residential Unit :

Purchase price = $2,250,000.00

(1)	$2,250,000.00 x 1.425%	= $ 32,062.50
(2)	$2,250,000.00 x .4%	= $ 9,000.00
(3)	$2,250,000.00 + $41,062.50	= $ 2,291,062.50
(4)	$2,291,062.50 x 1.425%	= $ 32,647.64
(5)	$519,307.50 x .4%	= $ 9,164.25

Under the current policies of the City of New York Department of Finance, where a purchaser purchases two or more Residential Units that have not been physically combined into a single residence before the transfer, the NYC RPT Tax rate where the consideration is $500,000 or less will be 1.425%, while the tax rate where the consideration is in excess of $500,000 will be 2.625% (this may be the case even if the Residential Units are transferred to the purchaser pursuant to separate sales contracts with separate closing dates). Purchasers of Residential Units should consult their own tax advisors for guidance regarding recent New York City Tax Appeals Tribunal decisions rejecting the above interpretation. There is also no guarantee that The City of New York will not change its positions with respect to the foregoing.

(g) If the purchase price of the Residential Unit is $1,000,000 or more, Purchaser will pay the New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax," which is currently one (1%) percent of the purchase price (the computation of which shall include the RPT Taxes and NYS Taxes as described above).

(h) The legal fees of Sponsor's attorneys in the amount of $1,500 will be payable by a purchaser to Stroock & Stroock & Lavan LLP. All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Stroock & Stroock & Lavan LLP, in connection with the closing of title to Purchaser's Unit: If the Purchaser requests the Closing to occur other than at the offices of Stroock & Stroock & Lavan LLP or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of $500 for each Closing held within Manhattan and $700 for each Closing held in any borough outside Manhattan. In addition, if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Agreement, or for the addition, deletion or substitution of names on the Agreement, a fee of $1,000, payable in advance, for preparation of an assignment agreement. Purchaser may pay more than one fee pursuant to this paragraph with respect to a single Unit. In addition to an attendance fee in connection with a completed Unit transfer, Sponsor's attorneys shall also be entitled to an attendance fee of $500 if the scheduled closing is adjourned through no fault of Sponsor, the determination of which shall be within the sole discretion of Sponsor's attorneys. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one request.

(i) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording tax, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, the mortgage recording tax for mortgages for Residential Units where the mortgage is under $500,000 is $2.00 for each $100 of principal. The mortgage recording tax for Residential Units for mortgages in the amount of $500,000 or greater is $2.125 for each $100 of principal. The tax is reduced for Residential Units in both instances by $25.00 if the mortgage principal exceeds $10,000. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources. As previously stated in paragraph (e) above, if a mortgage tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure solely to the benefit of Sponsor. Accordingly, at Closing, each Purchaser utilizing mortgage financing will pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed and Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed. In addition, where a Purchaser obtains a mortgage loan, the Purchaser will be responsible for all costs associated therewith, including, without limitation, costs incurred in connection with the mortgage application, bank's attorney, survey, appraisal, credit report and points.

The following table illustrates the projected closing costs (based on current rates) for a typical Unit purchased by a Purchaser at a Purchase Price of $2,250,000, assuming such Purchaser finances seventy five (75%) percent (i.e., $1,687,500) of the purchase price:

Fee Title Insurance (if purchased simultaneously with mortgage title insurance)	$ 6,358.00
Fee for recording Unit Deed (7 pages) and Unit Owner's Power of Attorney (5 pages)	$ 94.00
Mortgage Loan Closing Costs - recording mortgage (assuming 20 pages)	$ 132.00
- mortgage recording tax at 1.875% (less $25 exemption for first $10,000) a portion of which will be paid directly to Sponsor	$ 31,615.63
- mortgage title insurance (if purchased simultaneously with fee title insurance)	$ 1,231.00
- other bank charges (assuming "points" of 1% of mortgage amount, and appraisal fee of $275 and legal fees of $350 and assuming further that the lender does not require Purchaser to deposit funds to establish a real estate tax escrow)	$ 17,500.00
RPT Tax and NYS Transfer Tax (inclusive of $75 filing fee)	$ 41,886.89
Mansion Tax if purchase price is over $1,000,000 (increased by RPT Tax and NYS Transfer Tax bulk-up)	$ 22,910.63
Working Capital Payment (approximate)	$ 2,318.29
Closing Fee (assuming the closing occurs at the offices of Sponsor's counsel) +	$ 1,500.00
TOTAL	$125,546.44

The projected closing costs referred to above are approximate and are not guaranteed. Purchasers are advised that they are responsible for all mortgage loan closing costs which vary widely among different lenders and also will vary depending on the loan program chosen.

In addition to the above-specified costs and expenses, a mortgage on a Unit may provide that the Unit Owner deposit monthly with the lender one-twelfth (1/12) of the estimated annual real estate taxes and tax assessments which are assessed or to be assessed against the Unit, together with one-twelfth (1/12) of the annual fire and casualty insurance policy premiums for

the Unit, or other amounts, and, at Closing, Purchaser may be required to deposit with the lender a multiple of the aggregate of such one month's real estate taxes, tax assessments and insurance premiums, or other amounts, in order that sufficient funds will be available for the lender to pay the same when due and such sums may be due even if a real estate tax escrow is paid to the Condominium Board at Closing.

All legal costs, fees and expenses of Sponsor's attorneys, other than those specifically set forth above, will be the sole responsibility of Sponsor.

At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, (b) Common Charges for the month in which title closes and (c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering Purchaser's Residential Unit. Sponsor may also collect, on behalf of the Condominium Board, Common Charges for the month following the month in which the Closing occurs. In the event the Units have not been separately assessed for real estate tax purposes prior to the First Closing, each Unit Owner will pay a pro rata share in the proportion that such Unit's Common Interest bears to the aggregate Common Interest of Units of all real estate taxes with respect to the Property to the Condominium Board as Common Charges. (please refer to Schedule A for an estimate of real estate taxes payable during the first year of Condominium operation). In addition, to the extent the Units will not be separately assessed, Sponsor may collect at Closing, on behalf of the Condominium Board, real estate taxes due and payable for the tax periods in which the Units will not be separately assessed. The Condominium Board will pay such taxes either to the Finance Administration of The City of New York when due or directly to Sponsor if Sponsor has already paid such real estate taxes. If any Unit Owner fails to pay such Unit Owner's pro rata share as set forth above, the Condominium Board will have a lien on such Unit for non-payment of Common Charges. (See the Section entitled "Rights and Obligations of Unit Owners and the Board of Managers" under the subsection entitled –"Common Charges: Collection and Lien for Non-Payment, Attachment of Rent" for further discussion.) At such time as a Unit is separately assessed and separately billed, its Unit Owner will pay such taxes directly to the taxing authority.

If a Purchaser fails for any reason to close title to the Residential Unit on the originally scheduled Closing Date, (a) the closing apportionments described above will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Agreement and this Plan, an amount equal to 0.03% of the purchase price of the Unit for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date.

Except as specifically set out in this Plan, Sponsor must pay all costs and expenses incurred in connection with the promulgation and consummation of this Plan, the creation of the Condominium and the initial sale of Residential Units, including, but not limited to, all selling expenses and commissions payable to Selling Agent for the initial sale of Residential Units pursuant to this Plan, advertising, printing and architects' fees, the fees of Sponsor's attorneys,

engineering and appraisal costs and governmental filing fees, whether incurred prior or subsequent to the effective date of the Plan, in connection with the obligations of Sponsor (see the Section entitled "Rights and Obligations of Sponsor.")

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations with Respect to the Building

Subject to the terms and conditions of the Plan, Sponsor shall have the following obligations and all Purchasers upon execution of their respective Agreements will be deemed to have accepted, approved and agreed to abide and be bound by the following:

(a) Sponsor will diligently, expeditiously and at its sole cost and expense, perform or cause to be performed such work, and will supply or cause to be supplied all materials, necessary to complete construction of the Building substantially in accordance with the Plans and Specifications. Sponsor shall not be obligated to correct and will not be liable to any Purchaser as a result of any insubstantial variations from the Plans and Specifications or the description of the Building or a Unit set forth in the Plan. Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details), provided, however, that:

(i) any materials, appliances, equipment and fixtures which Sponsor may substitute shall be similar products of substantially equal or better quality or design; and

(ii) Sponsor shall not materially change the size or location of the Units or Common Elements if such changes affect the percentage of common interest or adversely affect the value of any Unit to which title has closed or for which an Agreement has been executed and is in effect, unless all affected Unit Owners and contract vendees consent in writing to such change.

Under the present construction schedule, it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building which are not intended for the exclusive use of any one Unit Owner and specialized work, if any, which Sponsor agrees to perform in individual Units at the request of Residential Unit Owners, a first temporary certificate of occupancy could be issued in April 2006 and the Building will be substantially completed by April 30, 2006, subject to Unavoidable Delays. Sponsor, however, makes no warranty or representation as to the date of the issuance of the temporary certificate of occupancy or the date of substantial completion due to Unavoidable Delays. Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During the first years of Condominium operations, construction workers and related personnel will be at the Property from time to time completing construction of the Building, making adjustments and corrections and performing various tasks related to the completion of construction, which may occur at all hours and could compromise the Building's security systems. During this period, various building systems, including but not limited to water supply, air conditioning, heating, cooling, ventilating and the elevator, may need to be shut down temporarily.

Sponsor and its designees, including tenants performing work in the Commercial Unit, will have the right to complete construction of the Building and shall have an easement through all parts of the Building, including the Units and the Common Elements in furtherance thereof and may utilize the elevator and other building systems and may install and retain scaffolding and other equipment on and in the Building to complete construction of the Building. Sponsor may not fully complete the decoration of portions of the Building, including, without limitation, the lobbies or corridors in the Building, the installation of light fixtures, the hanging of wall coverings or laying carpeting, until a particular Section of the Building is complete or a particular floor is fully occupied by Residential Unit Owners. The Condominium Board may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and a permanent certificate of occupancy has been obtained therefor. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels.

(b) Sponsor will obtain a temporary or permanent certificate of occupancy for the Building. A permanent Certificate of Occupancy is required for permanent residential use of the Building and the Residential Units. Temporary residential use of the Building is permitted upon the issuance of a temporary Certificate of Occupancy, but if a temporary Certificate of Occupancy, which may be extended up to a total of two years, expires prior to obtaining a permanent Certificate of Occupancy, residential occupancy of the condominium will be in violation of the Multiple Dwelling Law, subjecting the occupants of the Building, the Residential Unit Owners and the Condominium Board to penalties under the Multiple Dwelling Law, including, possibly, the eviction of residential occupants. Sponsor makes no representation or guarantee that the Department of Buildings will issue a permanent certificate of occupancy within two (2) years after issuance of the first temporary certificate of occupancy.

(c) If Sponsor fails to obtain a permanent Certificate of Occupancy for the Property prior to the First Closing, Sponsor will be obligated to: (i) direct the Escrow Agent to hold and maintain those monies received pursuant to all Agreements (see the Section entitled "Procedure To Purchase") which would otherwise be payable to Sponsor in the special trust account required by the General Business Law of the State of New York, Sections 352-e(2-b)and 352-h, provided, however, that if Sponsor's Architect certifies that a lesser amount than the amount held in the special trust account is reasonably necessary to complete all alterations and improvements to be performed by Sponsor, then the amount exceeding the sum so certified by Sponsor's Architect shall be released from the special escrow account to Sponsor; or (ii) Sponsor shall deposit with Escrow Agent an unconditional, irrevocable letter of credit, deposit cash or post a surety bond, or provide other collateral acceptable to the Department of Law, in an amount Sponsor's Architect, from time to time, certifies is reasonably necessary to complete the work needed to obtain the permanent Certificate of Occupancy. Any amount held in escrow, in excess of the amount certified as reasonably necessary to complete the work needed to obtain the permanent Certificate of Occupancy, can be released from escrow upon the receipt by Escrow Agent of a request by Sponsor. Escrow Agent will rely

entirely upon such certificate in releasing such funds and will not make any independent inquiry or evaluation. All interest and income on such escrowed funds may be paid to Sponsor, as and when earned and collected. The fact that various portions of the Common Elements or other Units may not have been completed prior to a scheduled Closing, shall not provide a basis for Purchaser delaying the closing or receiving any abatement or credit against the Purchase Price.

(d) Each Residential Unit and the fixtures and personal property contained therein are being sold and delivered as described in the Plan, at the time of transfer of title to such Residential Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Residential Unit, and the fixtures and personalty contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Residential Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if the Purchaser finds that Sponsor's improvements to the Unit have not been completed, although such improvements have been substantially completed, then Sponsor and the Purchaser in question will immediately thereafter agree to include on the inspection statement a list of incomplete work of a nature to be completed in the Unit by Sponsor following the Closing for the Unit in question. The failure of Sponsor to complete such work shall not be a ground for Purchaser delaying the Closing. Sponsor shall have no obligation to complete any work described herein which is not specifically designated on the inspection statement by the Purchaser, except for work necessary to cure violations and to obtain a temporary or permanent Certificate of Occupancy. Notwithstanding anything to the contrary set forth herein, nothing contained in the Plan shall be construed as to render Sponsor liable for consequential damages (whether based upon negligence, breach of contract, breach of warranty or otherwise) it being intended that Sponsor's sole obligation shall be to perform its obligations as expressly provided in the Plan. Sponsor will provide each Purchaser with notice of the date and time of the inspection of the Unit prior to closing as more particularly set forth in the Plan and will establish such procedures as may be required, in Sponsor's discretion, to complete the inspection of the Units and perform necessary punch list work therein. In the event a Purchaser fails to inspect a Unit after notification and an opportunity to perform such inspection, Sponsor reserves the right, in its discretion, to postpone the scheduled Closing or to deem Purchaser to have waived the right to cause punch list work, if any, to be completed. After closing of title to each Residential Unit, the Purchaser thereof must comply with the procedures established by the Managing Agent regarding such Purchaser's move into the Residential Unit. During the period when Sponsor is completing construction of the Building, moves into the Building may be restricted to those periods when the elevators and other access to the Building are being utilized by the construction trades.

(e) New York City Local Law 7 of 2004 requires the installation of carbon monoxide detectors by owners of multiple dwellings, including owners of units in residential condominiums. Sponsor will provide carbon monoxide detectors in each Unit in accordance with Local Law 7. Each Unit Owner will be responsible to keep and maintain the carbon monoxide detectors in good repair and to replace any carbon monoxide detectors which has been stolen, removed, found missing or rendered

inoperable. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations.

(f) Following the recording of the Declaration, Sponsor will deliver, assign or otherwise grant to the Condominium Board, on behalf of all Unit Owners, or the Condominium Board, on behalf of all Unit Owners, as the case may be, the right to proceed under any assignable warranties and other undertakings received by Sponsor from contractors, materialmen or others in connection with the construction and equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in the Unit of a Purchaser shall be assigned to such Purchaser on the date of closing of title to the Unit. Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Unit.

(g) Sponsor is obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Without limiting the generality of the foregoing, Sponsor hereby disclaims any and all express or implied warranties as to view, light quality, sound and/or odor transmission, the existence of molds, mildew, spores, fungi and/or other toxins within the Condominium. Sponsor has not given and Purchaser has not relied on or bargained for any such warranties. In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan will control. In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise).

(h) Prior to the Closing of title for each Unit, Sponsor will cause such Unit and its appurtenant Common Interest, benefits, rights and easements as described in the Declaration and By-Laws to be released from the lien of any mortgages or security agreements encumbering the Unit (other than any mortgage or security agreements obtained by the Purchaser).

(i) Sponsor will bear all costs and expenses incurred by it in connection with the creation of the Condominium and the preparation of the Plan and all selling expenses and compensation payable to sales or other personnel of Sponsor.

(j) Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the construction and equipping of the Building in accordance with the New York Lien Law, for work performed and fixtures, material and equipment supplied or installed during construction thereof and will cause any and all

mechanics' liens arising out of such construction and equipping, if any, to be discharged by bonding, or otherwise, promptly after the filing of any such liens.

(k) Sponsor shall have the obligation to defend any suits or proceedings arising out of Sponsor's material acts or omissions or to indemnify the Board(s) or Unit Owner(s) in any such suit or proceeding.

(l) Following the issuance of a permanent Certificate of Occupancy for the Building, Sponsor will deliver to the Condominium Board a complete set of mechanical, electrical and plumbing drawings that are "as-built" for the entire Building.

(m) In accordance with Section 339-p of the Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans are an accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental authority having jurisdiction over the issuance of permits for the construction of the Building.

(n) Sponsor will pay all Common Charges, special assessments and real estate taxes allocated to any Unsold Units or Commercial Unit in accordance with the provisions of the By-Laws. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Sponsor will fund its financial obligations from proceeds from the sales of Units, rental income from Unsold Units, and financing. No bond or other security will be posted by Sponsor with respect to this obligation.

(o) In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the purchase price for the subject Unit. In such event Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of an Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners or the Condominium Board do not resolve to make such repair or restoration pursuant to the By-Laws, the Agreement shall be deemed canceled and of no further force or effect and Escrow Agent shall return to Purchaser all sums deposited thereunder, together with interest earned thereon, if any, whereupon the parties to the Agreement shall be released and discharged from all obligations and liability thereunder and under this Plan; provided, however, notwithstanding anything to the contrary herein, (i) if Purchaser is then in default under the Agreement (beyond any applicable grace period), Sponsor will retain all such sums as and for liquidated damages and (ii) Sponsor will be entitled to reimbursement for the cost of any special work performed in the Residential Unit at the request of the Purchaser together with the cost to restore the

Residential Unit to the condition it was in prior to the special work having been performed.

(p) Sponsor will initially procure on behalf of the Condominium Board the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws (see the entitled "Rights and Obligations of Unit Owners and the Board of Managers") the cost of which insurance has been reflected in the Projected Budget set forth in Schedule B.

(q) Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection, by prospective Purchasers and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six years from the date of the recording of the Declaration. In addition, a set of Floor Plans showing the layout, location and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

(r) Sponsor is obligated to deliver to the Condominium Board all books of account and records pertaining to the Building's operation which are in Sponsor's possession on the First Closing.

(s) Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer (other than to purchasers under the Plan) of ten (10) or more Units or twenty (20%) percent of the Units in the Condominium, whichever is less, the principals 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 this Plan, applicable Law or regulations.

(t) 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 closing of each Unit will survive delivery of the deed.

(u) Except as required by Law, no bond or other security has been furnished by Sponsor to secure Sponsor's obligations including Sponsor's obligations to complete construction of the Condominium.

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Unsold Residential Units. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Residential Unit for its permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's

property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personality or fixtures contained therein.

Obligations of Sponsor hereunder with respect to the Residential Section shall be enforceable by the Condominium Board on behalf of Residential Unit Owners and obligations with respect to the General Common Elements shall be enforceable by the Condominium Board on behalf of all Unit Owners. To the extent permitted by Law, Sponsor will have no liability to any Purchaser, subsequent purchaser of a Unit, Unit Owner or Condominium Board with respect to its obligations under the Plan (other than for actual, non-consequential damages, including property damage, personal injury or wrongful death, arising as a result of the negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in the Plan) in excess of the net proceeds paid to Sponsor from the sale of all Unsold Residential Units after payment of, or reasonable reserve for, any liabilities of Sponsor arising out of the consummation of the transactions contemplated in the Plan.

Except as set forth above or as required by Law or governmental regulation, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan shall survive the delivery of the respective Residential Unit deeds. In the event Sponsor is not financially able to perform its obligations under the Plan, sales will cease and the Plan will be amended to offer rescission to purchasers, if any.

Sponsor financed the acquisition of the Property and is financing the construction of the Building with Commerce Bank, N.A. (the "Lender"). The mortgage loans (the "Mortgage Loans") are in a total aggregate amount of $18,900,000. While Sponsor currently intends to sell all of the Residential Units in Altair 20, Sponsor has reserved the right to stop marketing such Units and there is no restriction under the Mortgage Loans on the right of the Sponsor to rent Unsold Units. The Mortgage Loans do provide for minimum "release" prices as a condition to the Lender releasing the liens of the Mortgage Loans from each Unit upon the sale thereof.

Sponsor anticipates obtaining a permanent certificate of occupancy for the Building within two (2) years after the First Closing.

Leasing and Use of Unsold Residential Units

Sponsor and the owners of any Unsold Residential Units have reserved the right to rent or lease any Unsold Residential Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Residential Units for sale at any time, in Sponsor's sole discretion or to use or offer the Unsold Residential Units for any lawful purpose, including, without limitation, interval ownership. Except where otherwise prohibited by Law, certain Residential Units may be occupied under short-term leases. Accordingly, residents of the Condominium may be comprised of both Residential Unit Owners and tenants leasing from Sponsor or other Residential Unit Owners. Accordingly, it is possible that a significant proportion of Residential Unit Owners will not be residents of the Building and that a significant

portion of tenants in the Building may not be Residential Unit Owners. As a consequence of the foregoing, a Residential Unit Owner seeking to resell or refinance a Residential Unit may experience difficulty. In addition, residents of the Condominium who are not Unit Owners have no investment in their Residential Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment).

Sponsor and the owner of any Unsold Units have reserved the right to rent or lease any Unsold Unit prior to closing the sale thereof to the Purchaser thereof or any other party, to cease marketing Units for sale at any time, in Sponsor's sole discretion or to use or offer the Unsold Units for any lawful purpose, including, without limitation, interval ownership. Except whereas prohibited by Law, certain Units may be occupied under short-term leases. Accordingly, residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. As a consequence of the foregoing, a Unit Owner seeking to resell or refinance a Unit may experience difficulty. In addition, residents of the Condominium who are not Unit Owners have no investment in their Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e. purchase as a home as opposed to as an investment).

Sponsor and the owner of any Unsold Residential Unit reserve the right, without prior notice or amendment to the Plan, to use Common Elements and Unsold Residential Units on any floor of the Building as sales and rental offices and model apartments for the Building and any other building in which Sponsor or principals of Sponsor have an interest. In the event Sponsor or its designee thereafter elects to sell any such Unsold Residential Units, Sponsor or its designee may require the purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to the purchase price for such Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment (or any Common Elements appurtenant thereto) or any advertisement therefor, imply or represent that any Residential Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Residential Unit to the Purchaser of the Residential Unit unless expressly agreed to by Sponsor on such terms and conditions as may be mutually agreed by the parties.

CONTROL BY SPONSOR

There is no limit on the length of time that Sponsor may control the Residential Board or the Condominium Board. The Sponsor has the right to appoint a majority of the members of the Residential Board and the Condominium Board (and therefore control such Boards) for a period ending on the date which is five (5) years from the First Closing unless the Sponsor voluntarily relinquishes such right prior to the expiration of such five year period. After the date which is five (5) years from the First Closing, Sponsor may continue to control the Condominium Board and the Residential Board if it has sufficient votes to elect a majority of the members of the Residential Board. Accordingly during the period ending on the date which is five (5) years from the First Closing, Sponsor could control the Residential Board and the Condominium Board notwithstanding the fact that Sponsor no longer owns Units. Sponsor reserves the right to relinquish and regain voting control of the Residential Board and the Condominium Board at any time. During the period that Sponsor controls the Condominium Board or the Residential Board, as the case may be, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Residential Common Charges to be paid by all Residential Unit Owners.

The Condominium Board shall initially consist of one (1) representative designated by the Commercial Unit Owner and two (2) members designated by Sponsor.

The Condominium Board will call for a special meeting of the Unit Owners (the "First Annual Meeting") no later than one (1) year after the First Closing. At such meeting the Residential Unit Owners shall elect three (3) members to serve on the five (5) member Condominium Board and Commercial Unit Owner shall designate two (2) members on the Condominium Board. The First Annual Meeting shall be held not less than 10 days nor more than 40 days after the sending of the notice of the meeting.

Commencing with the First Annual Meeting, the Condominium Board shall consist of five (5) persons comprised of the three (3) members elected by the Residential Unit Owners and the two (2) members designated by the Commercial Unit Owner. The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

At the First Annual Meeting and at all times thereafter, Sponsor may be able to elect members of the Condominium Board as a result of its ownership of or interest in Unsold Residential Units. Sponsor shall retain voting control of the Condominium Board if Sponsor and the owner of any Unsold Residential Units are able to cast sufficient votes at such meetings to establish such control. In addition, Sponsor, for so long as Sponsor owns at least two (2) Residential Units, shall have the right, at its option, to designate at least one member of the Residential Board.

Within 10 days after the Sponsor Control Period, one of the Sponsor designated members of the Residential Unit Owners shall resign in which event a Residential Unit Owner meeting will be held to elect a new board member unrelated to the Sponsor within thirty (30) days after the expiration of the Sponsor Control Period. Nothing contained herein shall be deemed to limit the right of Sponsor to cast its votes for individuals nominated to the Condominium Board who

are not nominated or designated by Sponsor, which individuals, if elected, shall not be deemed Sponsor nominees or designees and shall not be deemed to cause Sponsor to control the Condominium Board after the Sponsor Control Period.

Until Sponsor or its designee has conveyed title to all the Residential Units, but in no event later than five (5) years after the First Closing, whichever shall first occur, the Condominium Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Residential Unit, (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, (e) borrow money on behalf of the Condominium or on behalf of the Residential Section, or (f) exercise a right of first refusal to lease or purchase a Residential Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board to comply with Laws of any governmental authority having jurisdiction over the Condominium to remedy any notice of violation or to remedy any work order by an insurer.

During Sponsor Control Period, Sponsor may not exercise veto power over expenses described in the Section entitled "Schedule B-Projected Budget for First Year of Condominium Operation" (the "Budget") or over expenses required (i) to comply with applicable laws; or (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer. Sponsor may exercise veto power over expenses other than those described in the foregoing sentence for a period ending not more than five (5) years after the closing of the first Unit or whenever the Unsold Units constitute less than twenty-five per cent (25%) of the common interest, whichever is sooner.

For so long as Sponsor owns less than 50% of the Residential Units but more than 15% of the Unsold Residential Units, Sponsor shall have the right to vote all of the Common Interests attributable to Unsold Residential Units owned by it to designate at least two members of the Condominium Board and for so long as Sponsor owns at least two of the Unsold Residential Units, Sponsor shall have the right to vote all of the Common Interests attributable to Unsold Residential Units owned by it to designate at least one member of the Residential Board.

BOARD OF MANAGERS

The affairs of the Condominium shall be governed by the Condominium Board, which shall initially be comprised of one (1) representative designated by the Commercial Unit Owner and two (2) members designated by Sponsor. On or before the date which is one year after the First Closing, the Condominium Board will call for the First Annual Meeting of Residential Unit Owners, such meeting to be held not less than 10 days nor more than 40 days after such date unless more than eighty-five percent (85%) of the Residential Units are sold, in which case the First Annual Meeting will be called within thirty (30) days after the sale of eighty-five percent (85%) of the Residential Units. At the First Annual Meeting, the incumbent Condominium Board shall resign and the Residential Unit Owners shall elect three (3) members to serve on the five (5) member Condominium Board and the Commercial Unit Owners shall designate two (2) members to serve on the Condominium Board. (See the Section entitled "Control by Sponsor.") Thereafter, at each annual meeting, members of the Condominium Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified.

Except for Board members designated by Sponsor or its designee, all members elected to the Condominium Board by the Residential Units Owners must be either Residential Unit Owners or certain parties (e.g. directors, shareholders of Unit Owners) as described in the By-Laws. No Unit Owner elected by the Residential Unit Owners to serve as a member on the Condominium Board shall continue to serve on the Condominium Board if, during such Unit Owner's term of office, said member shall cease to be a Residential Unit Owner or an interested party. All Board members shall serve without compensation.

The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium.

As more fully set forth in the By-Laws, (i) all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present, and (ii) all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present.

For convenience of operation of the Condominium, the Condominium Board may designate any other Board to act as its agent with respect to any matters the determination concerning which is entitled to be made by such designating entity.

Annual meetings of Residential Unit Owners shall be held within approximately thirty (30) days of each anniversary of the First Annual Meeting. At such meetings, the Residential Unit Owners shall elect their three (3) representatives to the Condominium Board, subject to any rights of Sponsor to designate Board members, and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting of the Residential Section to all Residential Unit Owners of record. The notice, which will generally be given at least ten (10) days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of

Residential Unit Owners, the presence in person or by proxy of Residential Unit Owners owning more than thirty (30%) percent of the Common Interests attributable to all Residential Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Residential Unit Owners. Except as otherwise provided in the By-Laws or Declaration, if any joint meeting between Residential Unit Owners and the Commercial Unit Owner is held, the presence in person or by proxy of more than fifty (50%) percent of the Common Interests attributable to all Units shall constitute a quorum and a majority of votes cast at any such meeting at which a quorum is present shall be binding on all Unit Owners.

At all meetings, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Residential Units) shall be entitled to cast one vote for each .0001% of interest in the Common Elements attributable to such Unit Owner's Unit or Units.

The principal officers of the Condominium Board shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the members of the Condominium Board. The initial members of the Condominium Board shall be Gary Barnett, Raizy Haas and Daina Radzins who shall serve as President, Vice President and Treasurer and Secretary of the Condominium Board respectively. Each of these individuals is a principal of or is affiliated with Sponsor or its principals. The Condominium Board may appoint additional officers. Except as otherwise provided by the Board for which such officer serves, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium Board are to be executed by any officer thereof or by such other person or persons as may be designated by the Condominium Board.

The term of office of the members of the Condominium Board shall be for one year or until their successors are elected. Members of the Condominium Board shall serve without compensation. Any member of the Condominium Board may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein.

A member of the Condominium Board designated or elected by the Residential Unit Owners may be removed with or without cause by an affirmative vote of a Majority of Residential Unit Owners (as defined in the By-Laws) who are present at a meeting containing a quorum of Residential Unit Owners; provided, however, that Condominium Board members designated by Sponsor may only be removed with cause and replaced by another Sponsor designee. No member of the Condominium Board shall continue to serve on the Condominium Board if, during such Unit Owner's term of office, said member shall cease to be a Residential Unit Owner or an interested party as described in Section 2.1 of the By-Laws; provided, however, that this provision respecting Residential Unit ownership and Condominium Board membership shall not apply to members of the Condominium Board designated by Sponsor or its designee.

Upon the affirmative vote of a majority of the members of the Condominium Board, any officer may be removed with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

All officers, Board members and employees of the Residential Section and of the Condominium will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Residential Section and the Condominium. The amount and cost of the bonds has been provided for in the projected budget for the first year of Condominium operation contained in Schedule B. The By-Laws provide that to the extent permitted by applicable Law, no member of any Board shall have any personal liability with respect to any contract, act or omission of any Board or of any managing agent or manager in connection with the affairs or operation of the Condominium, the Commercial Section, or the Residential Section or any Limited Common Element (except in their capacities as Unit Owners). Board members shall have no liability to Unit Owners except that a Board member shall be liable for such Board member's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

In exercising its respective powers and performing their respective duties under the Declaration and the By-Laws, the Condominium Board shall act in good faith as, and shall be, the agent of the Condominium, subject to and in accordance with the provisions of the Declaration and the By-Laws.

Generally, subject to certain exceptions concerning, among other things, Sponsor, the Commercial Section, and Unsold Residential Units, and provided that required consents of the Residential Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations affecting (a) only the Residential Section or the Residential Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of all Residential Unit Owners, (b) only the Commercial Section or the Commercial Unit Owner may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of the Commercial Unit Owner and (c) the General Common Elements or all Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

Notwithstanding any provision contained in the By-Laws to the contrary, no amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of the affected Commercial Unit Owner(s), with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of any Commercial Unit or affecting the rights, privileges, easements, licenses or exemptions granted to any Commercial Unit Owner, (b) without the prior written consent of Sponsor or its designee or the owner of any Unsold Residential Unit with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the

rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Residential Unit, or otherwise adversely affecting Sponsor or its designee or the owner of any Unsold Residential Unit or (c) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Residential Unit with respect to any amendment, modification, addition or deletion of or to the By-Laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Residential Unit or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Residential Unit.

It is possible that amendments, modifications, additions or deletions of or to the Declaration, By-Laws and Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Commercial Section, the subdivision of any Commercial Unit into individual commercial condominium units and/or the offering for sale or lease of all or any portion of the Commercial Unit. In connection therewith, the Commercial Unit Owner may, subject to compliance with all applicable Laws and governmental regulations, if any, cause the Declaration, By-Laws and Rules and Regulations to be amended, modified, added to or deleted from and the resulting provisions thereof may be similar or dissimilar to those affecting the Residential Section and Residential Unit Owners; provided, however, that no change adversely affecting the Residential Units and the Residential Unit Owners may be made without the consent of the Board of Managers.

As more particularly set forth in the Special Risk Section and the Section of the Plan entitled "Rights and Obligations of Sponsor", it is possible that a significant proportion of Residential Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Residential Unit Owners. Because there is no commitment on the part of Sponsor to sell more than fifteen percent (15%) of the Residential Units, as needed to declare the Plan effective, owner occupants may never gain effective control and management of the Condominium and may have difficulty in financing or reselling their Units. The By-Laws do not require that members of the Condominium Board be owner-occupants of a Residential Unit. Owner-occupants and nonresident owners (including the Sponsor) may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, such a purchase of a home as opposed to purchase for investment.

The By-Laws do not include a provision that after the Sponsor Control Period, a majority of the Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. In addition, non-resident owners, including Sponsor, have no investment in their Residential Units and, therefore, do not share the same economic interests as Unit Owners in the maintenance and care of the Building's facilities and amenities, and owner-occupants and non-resident Unit Owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment).

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

Sales and Leases of Units

Each Residential Unit Owner may sell or lease such Unit Owner's Residential Unit provided such Unit Owner (the "Transferor") first gives the Condominium Board, on behalf of all Residential Unit Owners, notice of such Unit Owner's intention to sell or lease such Unit and an opportunity to purchase or lease such Unit at the same price or rental and on the same terms as were offered in good faith by a prospective purchaser or lessee, as more specifically provided in Article 8 of the By-Laws. If the Condominium Board does not elect to purchase or lease the Residential Unit within twenty days after receipt of the offering Residential Unit Owner's notice, the Transferor will have an additional sixty days to enter into a written agreement with the prospective purchaser or lessee, as the case may be, embodying the terms set forth in said notice. In the event such written agreement is not executed by the Transferor within said sixty-day period or such sale or lease is not consummated within an additional sixty days following the expiration of said sixty-day period, the Transferor will be required to again first offer the same to the Condominium Board, provided that the Condominium Board shall be entitled to waive, or to permit an extension of, either or both of such sixty day periods. The Condominium Board may not exercise its option to purchase or lease any Residential Unit without prior approval of a majority in interest of Residential Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present and subject to the right of Sponsor to approve such purchase or lease during the period not to exceed five (5) years from the First Closing, as more particularly described in the Section of the Plan entitled "Control by Sponsor." In any vote of all the Residential Unit Owners, the Transferor shall have the right to vote in any vote conducted by the Condominium Board for the purpose of determining whether the Condominium Board shall exercise its right of first refusal to purchase or lease the Transferor's Unit. Any such deed given by a Transferor shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the demised premises or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by applicable Law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease approved by the Condominium Board which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws. Any lease entered into with a Residential Unit Owner, as landlord, should not be subject to state or local rent laws with respect to rent or other terms but will be subject to laws applicable to all rental leases in the State and City of New York such as requirements regarding warranties of habitability. Purchasers should refer to their own attorneys for guidance regarding their rights and obligations as a landlord under a lease for a Residential Unit.

Any purported sale or lease of a Unit in violation of this section shall be voidable at the election of the Condominium Board.

In the event the Condominium Board exercises its right to purchase a Residential Unit, the Condominium Board shall utilize available funds in the Working Capital Fund or shall make a special assessment for such purpose. With respect to the right of first refusal, 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 grounds prohibited by law. Please see "Units Acquired by Condominium Board" in this Section of the Plan for further details regarding Units acquired or leased by the Board.

A Residential Unit Owner may lease, sell or convey the Residential Unit to a spouse, adult child or grandchild, parent, grandparent or adult sibling, may convey such Unit Owner's Residential Unit by gift, may devise such Unit Owner's Residential Unit by will, or have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Residential Unit Owner shall be bound by, and such Unit Owner's Residential Unit shall be subject to, the preceding restrictions. In addition, any Residential Unit Owner may lease, sell or convey the Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws.

The restrictions upon the sale and lease of Residential Units shall not apply to Sponsor or its designee with respect to any Unsold Residential Units or to Residential Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Condominium Board. Such restrictions shall also be inapplicable to the Commercial Unit, whether owned by Sponsor or its designee or by any subsequent owner or by any mortgagee, and, subject to compliance with applicable Laws and governmental regulations, if any, the Commercial Unit Owner shall be free to sell, lease, mortgage or otherwise transfer or hypothecate all or any part of the Commercial Unit.

A Residential Unit Owner may only sell or lease such Unit Owner's entire Unit. In addition, each conveyance of a Unit by a Residential Unit Owner shall include, as part of the property to be conveyed, such Residential Unit Owner's undivided interest in (b) the Residential Common Elements, Residential Limited Common Elements and the General Common Elements, (b) any Unit or Units acquired by the Condominium Board on behalf of all Residential Unit Owners, or any proceeds of the sale or lease thereof and (c) any other assets of the Residential Section and the Condominium. No part of the Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

The By-Laws provide that the Condominium Board has the right, but not the obligations to require that before any Residential Unit is conveyed to a government or governmental mission, or to a department, agency or consulate of a government, or to any other party who or which may be entitled under applicable laws, conventions or treaties (including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable), from any legal or equitable

proceedings in the United States of America or elsewhere, may occur or be valid or effective, the Condominium Board may require that certain additional conditions be satisfied. Specifically, the Condominium Board may require that the potential grantee enter into an agreement with the Condominium Board, on terms acceptable to the Condominium Board and its counsel, in which the potential grantee (i) agrees to a specified arrangement for service of process, (ii) expressly and irrevocably waives, to the full extent permitted by law (including, without limitation, the United States Foreign Sovereign Immunities Act, as same may be amended), with respect to the potential grantee, and with respect to any and all other intended occupants of the Unit, any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise, (and diplomatic and consular immunity, if applicable) from any legal or equitable proceedings in the United States of America or elsewhere, brought by the Condominium Board or any other party claiming with respect to the Unit (including without limitation, immunity from service of process, immunity from jurisdiction of any court or tribunal, and immunity of any of that party's property from attachment prior to entry of judgment and from attachment in aid of execution, and from execution itself, upon a judgment), (iii) agrees that any legal action or proceeding with respect to the Unit may be brought in the courts of the State of New York, and in the City of New York, or in the United States District Court for the Southern District of New York, as the Condominium Board shall elect, and (iii) permits execution and enforcement of any judgment obtained by the Condominium Board. The foregoing provisions do not apply to sales of Unsold Residential Units.

A Residential Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to closing. In addition, the Condominium Board may establish reasonable fees for the processing of sale and lease notices, which shall be payable by the selling or leasing Residential Unit Owner, as the case may be, to the Managing Agent.

Notwithstanding anything contained herein to the contrary, prior to the closing of title to a Residential Unit, the Agreement prohibits a contract vendee from listing the Residential Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Residential Unit for sale or lease, without Sponsor's prior written consent. In addition, a Purchaser (other than a Purchaser purchasing for such Purchaser's own occupancy) may not advertise, list or sell a Residential Unit acquired from Sponsor for twelve (12) months after acquisition of such Residential Unit (provided however, such limitation shall not apply from and after the date that the Sponsor conveys title to all of the Residential Units). Any such conveyances in violation of the foregoing will be voidable by Sponsor. Purchasers are referred to the Agreement set forth in Part II of the Plan.

Use of Units

Residential Units shall be used only as a residence (except as described below). The Condominium Board, may in its sole discretion, permit a Residential Unit to be used for other purposes provided such use is permitted by Law, does not violate the then existing Certificate of Occupancy and complies with all applicable governmental regulations.

Notwithstanding the preceding paragraph, Sponsor or its designee may, without the permission of the Condominium Board (a) use or grant permission for the use of any Unsold

Residential Unit as a professional office or for any other purpose, including, without limitation, use as a long or short term rental, transient hotel, timeshare or other use, provided such use is permitted by Law, does not violate the then existing certificate of occupancy for such Residential Unit (subject to Sponsor's right to amend the certificate of occupancy to conform to use as provided in the By-Laws), and the user of such Unit complies with all applicable governmental regulations with respect to such use, and (b) retain ownership of one or more Residential Units for use as models and sales, rental and/or promotion offices in connection with the sale or rental of other Residential Units in the Condominium or in buildings in which principals of Sponsor may have an interest.

Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install, at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable Law and in any event, without full knowledge of the Managing Agent.

The current zoning Law permits a person who resides in a Residential Unit to use up to 25% of the floor area of such Unit Owner's Unit (but in no event to exceed 500 square feet) for certain home occupations including a fine arts studio, professional offices (e.g., lawyer, doctor or dentist) and teaching of not more than four persons. No transient tenant may be accommodated in a Residential Unit, except in Unsold Residential Units, as permitted by Law. Such home occupation use may only be engaged in with the consent of the Condominium Board or by Sponsor, as more particularly provided in the By-Laws.

The Commercial Unit may be used for any lawful purpose, including, but not limited to, a garage, health club, theaters, retail stores, banks, restaurants and commercial and professional offices subject to certain limitations more fully set forth in the Section of the Plan entitled "Commercial Unit." No income derived from any use of the Commercial Unit will constitute income to the Condominium Board or Residential Unit Owners.

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Residential Section or any portion thereof. All valid Laws of governmental bodies having jurisdiction thereof relating to any portion of the Property shall be complied with at the sole expense of the respective Unit Owners or Board, whoever or whichever shall have the obligation to maintain or repair such portion of the Property.

No "For Sale," "For Rent," "For Lease" sign, or any other sign evidencing a similar purpose, or other window display or advertising shall be maintained or permitted in any Residential Unit, except that these sign restrictions shall not apply with respect to Unsold Residential Units.

No awnings, air conditioning equipment or ventilators shall be installed or modified in the Residential Section without prior written approval of the Condominium Board. No radio or television aerial, satellite dishes or other similar device shall be erected by Residential Unit Owners on the roof or exterior walls, windows or terraces of the Building or on the Property,

without obtaining in each instance the written consent of the Condominium Board or except as may otherwise be required by Law.

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Residential Unit without the consent of the Condominium Board or the Managing Agent. Each Residential Unit Owner who keeps any type of pet in such Unit Owner's Residential Unit will be required to: (a) indemnify and hold harmless the Condominium, all Unit Owners and the Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all reasonable Rules and Regulations of the Condominium Board adopted with respect thereto.

Each Unit Owner shall keep such Unit Owner's Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair such Unit Owner's own Unit in accordance with the provisions of the By-Laws and the rules and regulations of municipal departments or agencies having jurisdiction thereof. The Rules and Regulations concerning the use of Residential Units may be amended from time to time by the Condominium Board provided that copies thereof are furnished to each Residential Unit Owner prior to the time that they become effective (except that no amendment thereof affecting the Commercial Unit or Unsold Residential Units may be made unless agreed to by the Commercial Unit Owner or Sponsor or its designee, as the case may be). Further restrictions on the use and leasing of Residential Units are set forth in the By-Laws and Rules and Regulations.

Mortgage of Units by Unit Owners

Each Residential Unit Owner may mortgage such Unit Owner's Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with by such Unit Owner. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters form of mortgage, or such other form approved by the Condominium Board, (b) the Condominium Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the Unit Owner making such mortgage first satisfies all unpaid liens against such Unit Owner's Unit, other than Permitted Mortgages. The Commercial Unit Owner shall have the right to mortgage any Commercial Unit without any restriction or limitation.

In certain instances the consent of the Residential Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than three Residential Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are (i) Sponsor or its designee, (ii) a bank, trust company, insurance company, real estate investment or mortgage trust or (iii) a governmental or union employee, welfare, pension or retirement fund or system.

Common Charges: Determination and Assessment

Common Expenses, which are payable by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Common

Interests. Common Charges shall also be deemed to include any special assessment imposed by the Condominium Board. The respective Common Interests of each Unit, as estimated by Sponsor, are 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. Common Expenses include, among other things, all costs and expenses (including the payment of wages) in connection with the Maintenance and operation of the Residential Common Elements and Residential Limited Common Elements. Common Expenses may include amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Condominium Board of any Residential Unit.

In the event that the annual receipts levied against Unit Owners during the first year of condominium operation commencing on the date of First Closing exceed the actual expenses less income from sources other than Unit Owners for that period accounted for on an accrual basis by an amount in excess of $100,000, the receipts from Unit Owners over and above such amount may be rebated to the Unit Owners by the Condominium Board in proportion to each Unit's percentage of Common Interest. Rebates, if any, attributable to Units purchased from Sponsor during the first year of condominium operation will be distributed by the Condominium Board to Sponsor and the Residential Unit Owner(s) in proportion to the amount of time Sponsor and each Residential Unit Owner owned such Unit. Sponsor makes no representations that there will be any excess receipts for rebate to Residential Units Owners or, if rebates are made, what the tax consequences of such rebates would be to Residential Unit Owners. See the Attorney's Tax Opinion in Part I of the Plan for further discussion regarding the income tax consequences of the ownership of Residential Units by individual Unit Owners.

At least annually (a) the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess Common Charges to the Residential Unit Owners and Commercial Unit Owner to meet such expenses.

The Condominium Board will furnish copies of each budget on which Common Charges are based to all Residential Unit Owners and advise such Unit Owners of the amount of Common Charges payable by them. Unless otherwise determined by the Board to which they are payable, Common Charges will be payable monthly in advance on the first day of each month.

Common Charges: Collection and Lien for Non-Payment

Under the provisions of the By-Laws, (a) the Condominium Board, on behalf of all Residential Unit Owners, will have a lien on each Residential Unit for unpaid Common Charges assessed against such Unit together with interest thereon, and (b) the Condominium Board, on behalf of all Unit Owners, will have a lien on all Residential Units, for Common Charges unpaid to it by the Condominium Board, together with interest thereon, in proportion to the respective Common Interests of the Residential Units, as well as a lien on the Commercial Unit, for Common Charges unpaid to it by the Condominium Board, together with interest thereon. All such liens, however, to the extent permitted by applicable Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges, against a Unit will be effective from and after filing of a

verified notice thereof in the City Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners or all Residential Unit Owners, as the case may be) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing such lien. Notwithstanding the foregoing, during the Sponsor Control Period the Sponsor shall cause the Residential Board or the Condominium Board, as the case may be, to file a lien as provided for in Section 339-aa of the Real Property Law on Units owned by Sponsor in which Sponsor is more than thirty (30) days in arrears of Common Charges.

No Unit Owner may exempt himself from liability for such Unit Owner's Common Charges by waiving use of any Common Elements or by abandonment of such Unit Owner's Unit. Dissatisfaction with the quantity or quality of maintenance or services furnished to the Property or the degree to which the construction in the Building shall have been complete shall not be grounds for a Unit Owner withholding or failure to pay all or any portion of the Common Charges or any other assessments. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a permissible sale, transfer or other conveyance by him of such Unit. In addition, as more specifically set forth in the By-Laws, (a) a Residential Unit Owner may, by conveying such Unit Owner's Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, exempt himself from Common Charges and Common Charges thereafter accruing, and (b) the Commercial Unit Owner of the Commercial Unit may, by conveying the Commercial Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, be exempt from Common Charges thereafter accruing.

On a resale of a Residential Unit, the purchaser thereof will be liable for the payment of Common Charges accrued and unpaid against such Unit prior to such Unit Owner's acquisition. Prior to the permissible sale, transfer or other conveyance of a Residential Unit, any seller or purchaser of a Residential Unit shall be entitled to a statement (an "Estoppel Letter") from the Condominium Board, setting forth the amount of the unpaid Common Charges accrued against the Unit and neither such seller nor purchaser shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in such statement. In the event of a foreclosure by the Condominium Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. Neither (a) a Permitted Mortgagee (as defined in the Condominium Declaration) acquiring title to a Unit at foreclosure sale nor (b) a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Condominium Board will have the right to assess such unpaid balance as a Common Charge among all Residential Unit Owners.

A new subsection kk to Section 339 of the Real Property Law ("RPL"), a copy of which is set forth in Part II of the Plan, was enacted into law July 22, 1998. RPL §339-kk is applicable to all condominiums in the State of New York. RPL §339-kk is intended to provide additional financial protection for a condominium association if a sponsor or other non-occupant unit owner of a residential unit fails to make monthly payments for common charges, assessments and late fees due in connection with such owner's units. Please refer to the Section of the Plan entitled "Rights and Obligations of Sponsor" under the subsection entitled "Real Property Law §339-kk" for further details.

RPL §339-jj-Borrowing by Condominium

A new subsection jj to Section 339 of the Real Property Law ("RPL"), was enacted into law on August 26, 1997 and authorizes the Condominium Board to incur debt provided that such debt (a) is incurred no earlier than the fifth anniversary of the First Closing and (b) is approved by Unit Owners owning Units to which there is appurtenant a majority of the Common Interests. Any such debt may be secured by future income and Common Charges in which event the Common Charges shall be deemed trust funds for the purpose of paying such debt. The Condominium Board cannot secure such debt by a lien on the Common Elements without the consent of all Unit Owners.

RPL §339-kk-Payment of Rent Where Default in Payment of Common Charges

A new subsection kk to Section 339 of the RPL, a copy of which is set forth in Part II of the Plan, was enacted into law July 22, 1998. RPL §339-kk is applicable to all condominiums in the State of New York. RPL §339-kk is intended to provide additional financial protection for a condominium association if a sponsor or other non-occupant unit owner of a residential unit fails to make monthly payments for common charges, assessments and late fees due in connection with such owner's units.

RPL §339-kk provides, by its terms, among other things, that with respect to unsold units of a Condominium owned by a sponsor or by any other non-occupant unit owner and occupied by a tenant:

(a) If payment of common charges, assessments or late fees by any non-occupant unit owner is more than sixty (60) days late after the expiration of any grace period within which they are due, payments from a tenant of such unit may become directly payable to the Condominium upon written notice by the Condominium to the tenant and the non-occupant unit owner. Where a majority of the Condominium Board has been elected by unit owners who are in occupancy of their respective units, the Condominium Board may elect not to require that the rental payments be paid to the Condominium. Once the common charges, assessments and late fees of the non-occupant unit owner have been brought current, the Condominium Board must notify the non-occupant unit owner and tenant within three (3) business days and thereafter the rent will be payable to the non-occupant unit owner or a designated agent.

(b) Payment by a tenant of rent or the amount required pursuant to the tenant's lease or statutory tenancy to the Condominium pursuant to the RPL §339-kk, relieves the tenant from the obligation to pay rent to the non-occupying unit owner.

(c) Any rights existing under any other Laws are not limited by RPL §339-kk.

(d) A non-occupant unit owner who disputes a Condominium's claim to rental payments is entitled to present facts supporting such owner's position at the next scheduled meeting of the Condominium Board, which must be held within thirty (30) days after receipt of notice that the unit owner seeks to dispute the Condominium's claim.

Sponsor makes no representation or guarantee that any Unit Owner (other than Sponsor), any tenant, or the Condominium, will in fact comply with RPL §339-kk, and Sponsor shall have no liability for their failure to do so.

RPL §339-kk does not address a number of issues. Accordingly, Sponsor makes no representation as to (i) RPL §339-kk 's effect on the lien priority of a loan heretofore or hereafter made to a non-occupant owner and secured by the unit, or whether RPL §339-kk 's enactment or compliance therewith by a tenant constitutes a default by the unit owner under said loan, (ii) RPL §339-kk 's effect on assignments of leases and rents given by a non-occupant owner to a mortgagee in connection with purchase-money financing or otherwise, (iii) the Condominium's remedies if a tenant fails or refuses to make rental payments to the Condominium Board after notice from the Condominium Board (in accordance with RPL §339-kk) to do so, (iv) the consequence of the Condominium Board's failure to give notice to a tenant (i.e., does failure constitute a waiver of the Condominium's rights?), or (v) who is responsible for designating an agent to whom rental payments are to be made after the non-occupant unit owner is brought current in payment of common charges, assessments and late fees.

Finally, no representation is made about the tax effects of RPL §339-kk.

All prospective purchasers should review RPL §339-kk to determine its effect on their own situation.

Repairs to and Maintenance of
Units and Common Elements

Generally, all painting, decorating, and routine Maintenance, (a) in or to any Unit (other than to the General Common Elements or Commercial Common Elements or Residential Common Elements included therein), including the individual heating and cooling systems and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, and (b) in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Residential Unit Owners and the Commercial Unit Owner as a Common Expense. Notwithstanding the foregoing, any repairs by Residential Unit Owners to the heating and air conditioning units within each Residential Unit shall only be made by contractors or servicemen who have been previously approved by the Condominium Board.

Notwithstanding the above, all normal Maintenance of any Terrace shall be made by the Residential Unit Owner having access to same, at such Unit Owner's own cost and expense, but any structural repairs to such Terrace (including any leaks which are not caused by the negligence or misconduct of the Residential Unit Owner having access to the same) will be made by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Common Expense. Any Residential Unit Owner having access to a Terrace shall keep it free of snow, ice and accumulation of water, which will cause damage to the Building. In accordance with the By-Laws, the Condominium Board will have the right to require a Residential Unit Owner to obtain the consent of the Condominium Board prior to installing plantings, surface coverings and other furniture, equipment and installations on the Terraces and may require a Residential Unit Owner to remove same if the Condominium Board determines, in their respective discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roofs or adversely affect the appearance of the Building or that such removal is needed to facilitate access to the roofing system or other Common Elements pursuant to the Declaration and By-Laws. No Terrace may be enclosed without the express written consent of the Condominium Board. The Condominium Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

The interior and exterior glass surfaces of all windows located in any Residential Unit shall not be colored or painted and are to be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense. The exterior glass surfaces of all Residential Section windows may, at the option of the Condominium Board, be washed and cleaned by the Condominium Board and the cost thereof shall be a Common Expense; otherwise Residential Unit Owners shall be obligated to clean such windows at their own cost and expense. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Condominium Board at the sole cost and expense of the owner of such Residential Unit (unless such breakage is caused by the Condominium Board, the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board, the Condominium Board or such Unit Owner). No replacement, modification or alteration may be made to or of the windows (other than replacement of the window panes) without the consent of the Condominium Board.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water which will cause damage to the Building) by the Unit Owner or the Board, whichever is responsible for the Maintenance thereof. In the event any Unit Owner fails to keep such Unit Owner's Unit in such condition, the Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the subsection entitled "Rights of Access.") A Residential Unit Owner shall not permit excessive noise or vibrations to emanate from the Unit. Each Unit Owner will be obligated to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner that fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such

as mold or other bacterial contamination. A Residential Unit Owner shall not permit excessive noise or vibrations to emanate from the Unit.

The By-Laws further require that those public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner or the Board, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or Board.

There is appurtenant to the Building certain vault space in the Cellar which shall be available solely for the use of both the Condominium Board and the Commercial Unit Owner as set forth on the Floor Plans. The Condominium Board and the Commercial Unit Owner shall be responsible for vault taxes, if any, imposed as the result of the use of the vault. Routine Maintenance and repair of the vaults shall be the responsibility of the Condominium Board or the Commercial Unit Owner having exclusive use thereof. However, the costs of any structural repairs, including repairs to the foundations or retaining walls adjacent to the vaults and the closing of the vaults, shall be a Common Expense undertaken by the Condominium Board.

In addition, the Rules and Regulations require that at least fifty (50%) percent of the floor area of Residential Units (except for kitchens, bathrooms, closets and foyers) be covered with rugs, carpeting or equally effective noise-reducing material.

Alterations and Improvements of
Units and Common Elements

No Residential Unit Owner may make any structural alteration, addition, improvement or repair in or to such Unit Owner's Unit without the prior written approval of the Condominium Board but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Residential Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Board. The Condominium Board may impose fees upon such Unit Owner to reimburse the Condominium for costs incurred in connection with the review or supervision of such Unit Owner's work.

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Residential Unit, the Condominium Board shall have the right to approve the Unit Owner's plans and specifications, the Unit Owner's contractors and suppliers and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. In addition, the Condominium Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements.

Any contractor performing work in the Residential Units shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration or improvement to be made in a Residential Unit, unless approved and executed, if necessary, by the Condominium Board. The Condominium Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Residential Unit, provided any alteration to such Unit shall be in accordance with, and only as permitted by, the Condominium Act and all governmental regulations. Under the terms of the By-Laws, Sponsor is authorized on behalf of the Board to execute such applications, permits or other documents as may be required to undertake, perform and complete such work to the Building (including the Units and Common Elements) as Sponsor is entitled to perform in accordance with the terms of the Declaration and the By-Laws and to obtain such certificates of completion as may then be required by Law and, the Board, if requested by Sponsor is obligated to execute the aforesaid documentation. In addition, the Power of Attorney to be executed by each Residential Unit Owner upon acquisition of the Residential Unit further grants to Sponsor a power of attorney to execute such documentation. "Required Documentation" refers to such applications, permits, certifications, affidavits, forms, agreements, acknowledgments or other documents as may be required to enable the Declarant to exercise its rights or obligations under this Plan or the Declaration and the By-Laws, including, without limitation, Declarant's rights to deal with the Available Development Rights and to undertake, perform and complete such work to the Units and Common Elements.

In the event that any alterations, additions, improvements or repairs made by any Residential Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance of a temporary or permanent certificate of occupancy for such Unit, other Units or the Building, then upon the written request of Sponsor or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the party requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any remedies provided in the By-Laws.

Generally all alterations or improvements in or to the General Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Residential Unit Owners and the Commercial Unit Owner as a Common Expense. Maintenance of the Residential Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Common Expense; and alterations, additions or improvements in or to the Commercial Common Elements will be made

by the Condominium Board and the cost and expense thereof will be charged to the Commercial Unit Owner as a Common Expense.

The Commercial Unit Owner, without the consent of the Condominium Board may make any alteration, addition, improvement or repair in or to any Commercial Unit or the Commercial Common Elements provided that the work is performed by the Commercial Unit Owner in compliance with governmental Laws and in accordance with all conditions described in the Declaration. Sponsor, without the consent of the Condominium Board, may make any alteration, addition, improvement or repair in or to any Unsold Residential Unit or the Common Elements provided that the work is performed by Sponsor in compliance with Law and in accordance with all conditions described in the Declaration. In addition, Sponsor and the Commercial Unit Owner may erect, maintain, repair and replace, or permit their tenants to erect, maintain, repair or replace, from time to time, one or more signs on the Property for the purpose of advertising the availability for sale or rental of any Unsold Residential Unit or Commercial Unit or the operation of any business of Sponsor, a tenant, occupant managing agent or operator of the Commercial Unit including, but not limited to, signs on the facade of the Building and on any awnings, canopies or other protrusions from the facade of the Building.

Rights of Access

As more fully set forth in the By-Laws, the Board and any managing agents, managers, superintendents and other persons authorized by the Board, will have a right of access to any Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by Law, provided that requests for entry (except in Emergency situations) are made in advance and that any such entry (except in Emergency situations) is at a time reasonably convenient to the Unit Owner and the tenants of any Unit. In case of an Emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. The By-Laws give Sponsor a right of access to any Unit for the purpose of performing punch-list work or for the purpose of performing or completing construction in the Building and give service providers the right to access their equipment and the conduit in which such equipment is located in order to install, maintain, operate, repair, replace and service same.

Compliance with Terms of Declaration, By-Laws and Rules and Regulations

Each Unit Owner must strictly comply with the provisions of the Declaration, the By-Laws, and the Rules and Regulations. Pursuant to Section 339(j) of the Condominium Act, failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief shall not be exclusive of other remedies provided by Law. The By-Laws, together with the Rules and Regulations, will be recorded with the Declaration in the City Register's Office.

Examination of Books and Records

Each Unit Owner and each mortgagee of a Unit shall be permitted, upon prior request, to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium.

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board with respect to any damage to or destruction of the Residential Section, Commercial Section or General Common Elements, will, except as set forth below, arrange for the prompt repair and restoration thereof.

If only the Commercial Section is destroyed or damaged by fire or other casualty and if the net insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the Commercial Unit Owner will bear the entire amount of the deficit, or shall receive all of the surplus, as the case may be. Similarly, if only the Residential Section is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction by fire or other casualty affects the Commercial Section, the Residential Section and the General Common Elements, or any combination thereof, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests in the proportion that the cost of repairing the damage or destruction to the Residential Section, Commercial Section and General Common Elements bears to the total cost of repairing all damage or destruction. However, the Commercial Unit Owner shall still have the right to make all arrangements for the prompt repair and restoration of the Commercial Unit to the extent they are affected by such damage or destruction. If said damage or destruction, however, affects only the General Common Elements, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to reduce unpaid liens on such Unit Owner's Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

Unless the Unit Owners have elected not to restore the Building as provided below, damage or destruction to a Unit or a Limited Common Element as a result of fire or other casualty shall be promptly repaired and reconstructed by the Owner of the affected Unit(s) where such repair or reconstruction does not involve the Common Elements for which the repair or reconstruction is the obligation of the Condominium Board under the Declaration and By-Laws. If a Residential Unit Owner fails to repair or reconstruct such Unit Owner's Unit, the Condominium Board may cause the Residential Unit to be repaired or reconstructed and the costs incurred in connection therewith shall be a charged to the defaulting Unit Owner as a Special Assessment.

If three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Board in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to a New York City bank or trust company designated by the Condominium Board as insurance trustee pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law.

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) property insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings and, at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance); (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Board and all officers, directors and employees of the Condominium, the Residential Section and the Commercial Section; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine. Each Unit Owner shall be an additional insured.

The property insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws.

The amount of property insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the First Annual Meeting of the Residential Unit Owners shall be in at least the sum set forth in Schedule B.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees.

The Condominium Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, bodily injury or property damage occurring upon, in or about the Property, in such limits as he Condominium Board may from time to time determine, covering (1) the Board, the Managing Agent or agents thereof, each Board member and each officer and employee of the Condominium and Residential and Commercial Sections, (2) the Commercial Unit Owner, and all officers, directors and employees thereof, and (3) each Residential Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or within the Residential Limited Common Elements, if any, exclusive to such Unit Owner's Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the First Annual Meeting of Residential Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines. The premiums for all insurance referred to above shall be a Common Expense shall allocated pro rata in accordance with the aggregate respective Common Interests of the Residential Unit Owners and the Commercial Unit Owner.

The Condominium Board is not required to obtain or maintain any insurance with respect to the Units or any property contained in a Unit. Pursuant to the By-Laws, each Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of $1,000,000 for bodily injury or death arising out of any one occurrence including $1,000,000 for damage to property and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage and personal property). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. Policies maintained by Unit Owners as aforesaid must provide that they cannot be canceled without at least thirty (30) days prior notice to the Condominium Board.

Liability of Board of Managers and Unit Owners

Every contract made by the Condominium Board or by any managing agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners or Residential Unit Owners, respectively, and such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Residential Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners or Residential Unit Owners, as the case may be, and (ii) to the extent permitted by Law, unless otherwise determined by the Board in its sole and absolute discretion, such Unit Owner's interest in such Unit Owner's Unit and its appurtenant Common Interest. To the extent permitted by applicable Law, Board members shall have no liability to Residential Unit Owners except that a Board member shall be liable for such member's own bad faith or willful misconduct. All Residential Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Board may contract or effect any transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Board to all Unit Owners within four months after the end of each fiscal year as more particularly described in the Section of the Plan entitled ""Reports to Unit Owners" in Part I of the Plan.

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of at least eighty (80%) percent in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from (a) the Residential Mortgage Representatives, if any, and (b) Sponsor, until such time as Sponsor and the owner of any Unsold Residential Units have conveyed title to all Residential Units, provided that in no event shall Sponsor's consent be required more than five (5) years after the First Closing. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Units Acquired by Condominium Board

All Units acquired or leased by the Condominium Board or their designees shall be held by such Board, or its designee, on behalf of all Residential Unit Owners or on behalf of the Commercial Unit Owner, as the case may be, and the rent or purchase price, closing costs and adjustments payable in connection therewith shall be assessed against all Residential Unit Owners or the Commercial Unit Owner, as the case may be. No Units held by the Condominium Board shall carry any voting rights.

The purchase of any Unit by the Condominium Board or its designees, on behalf of the Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of such Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Residential Unit Owner or Commercial Unit Owner, as the case may be, in proportion to such Unit Owner's respective Common Interest, as a Common Charge, and/or such Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interests in the Common Elements.

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Residential Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units. All Residential Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. In the event any Residential Unit Owner individually seeks to have the assessed valuation of such Unit Owner's Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings. The Commercial Unit Owner will have the right to commence certiorari proceedings on their own at their sole cost and expense.

Mechanics' Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the General or Limited Common Elements except with the unanimous consent of all Unit Owners affected thereby. Liens may arise or be created against only the several Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the General or Limited Common Elements shall be the basis for a lien thereon but all Common Charges received by the Condominium Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished

at the request or with the consent of the Condominium Board or the Managing Agent for the Common Elements.

Easements

In order to facilitate the operation and Maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and the Common Elements, and an easement in favor of each Residential Unit Owner to use the General Common Elements and the Residential Common Elements provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of the Residential Units for their permitted purposes. Sponsor shall have an easement to erect, maintain, repair and replace lights and lighting fixtures and to erect maintain and replace satellite communication equipment and similar equipment, as permitted by Law, on the roofs and facade of the Building and elsewhere on the Common Elements which shall entitle Sponsor to utilize such easement for its own account or the account of any licensee of Sponsor for the purpose of servicing the Condominium or any other building or area. In addition, Sponsor and the owner of any Unsold Residential Units shall have an easement to erect, maintain, repair and replace any signs, awnings, marquees, canopies, banners, flags, pennants, aerials, antennas or the like (each a "Sign") permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

Name of Condominium

As set forth in the Declaration, the Condominium and the Building shall be designated and known as "Altair 20." Any and all rights and interests appurtenant to such name, if same exist, are owned and controlled by Sponsor. Similarly, any and all obligations and liabilities appurtenant to such name shall be the sole responsibility and obligation of Sponsor. For so long as Sponsor owns any Units in the Building only Sponsor shall have the right to change the name of the Condominium and/or the Building, and such right may be exercised by Sponsor at any time without the vote or consent of the Board or Unit Owner. In addition, Sponsor shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Sponsor as the sponsor of the condominium offering, together with such other information as Sponsor determines in its sole discretion.

The Declaration and By-Laws

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan. A prospective purchaser should read the Plan in its entirety including the Declaration and By-Laws.

REAL ESTATE TAXES

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other Units. Generally, Units may not be separately assessed until the tax year following the tax year in which the Declaration of Condominium is recorded. Until the Units are separately assessed and billed, each Unit Owner shall pay such Unit Owner's pro rata share (in the proportion that such Unit Owner's Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the Property to the Condominium Board as Common Charges.

Section 581 of the Real Property Tax Law provides that real property owned on a condominium basis shall be assessed for real estate tax purposes at a sum not exceeding the assessment which would be placed thereon if the property were not owned on a condominium basis. Section 339-y of the Condominium Act provides in part that each Unit and its Common Interest shall be separately assessed for tax purposes and that in no event shall the aggregate of the assessment of the Units plus their Common Interest exceed the total valuation of the property were the property assessed as one parcel.

It is estimated that the aggregate real estate taxes attributable to all Residential Unit Owners for the first year of Condominium operation will total approximately $298,268, based on an opinion prepared by Jerome Mazursky dated January 14, 2004 which assumes (a) an assessed transitional valuation attributable to the residential portion of the Property of $915,846 for the July 1, 2005 through June 30, 2006 fiscal tax year, (b) an assessed transitional valuation attributable to the residential portion of the Property of $3,068,196 for the July 1, 2006 through June 30, 2007 fiscal tax year, (c) a projected tax rate of $11.50 per $100 of assessed valuation for the July 1, 2005 through June 30, 2006 fiscal tax year and a projected tax rate of $12.70 per $100 of assessed valuation for the July 1, 2006 through June 30, 2007 fiscal tax year. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.

The real estate tax estimates for each Residential Unit were calculated on the assumption that the real estate taxes payable with respect to each Residential Unit for the first year of Condominium operation will be allocated in proportion to each Residential Unit's percentage interest in the Common Elements. Upon determination of individual tax lots and individual Residential Unit assessments, the New York City tax authorities may allocate taxes between the Residential Units in proportion to each Residential Unit's purchase price rather than its percentage interest in the Common Elements, and, if so, Residential Units having the same percentage interest may pay different real estate taxes.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method of allocating real estate taxes which will be employed by the New York City tax assessor; (ii) of the assessed value of the residential portion of the Property during the first year of Condominium Operation, or (iii) of the tax rates in effect during the first year of Condominium operation.

The By-Laws provide that the Condominium Board is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect to Unit Owners, for the benefit and on behalf of (i) all Residential Unit Owners, or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings. There is currently a tax certiorari proceeding pending with respect to the Property for the 2004/05 tax year. The law firm of Brandt, Steinberg and Lewis LLP filed certiorari petitions on behalf of Sponsor. Expenses related to the tax certiorari proceedings will be paid by Sponsor, or, in the event that benefits of such proceedings accrue to individual Unit Owners, such Unit Owners will bear any expenses arising out of the tax certiorari proceedings.

Prospective purchasers should note that increases in a property's assessed valuation resulting from changes in its market value (other than changes resulting from new construction or alteration of an existing improvement) are phased in over five fiscal tax years in annual increments of twenty percent each. Any further increase in assessed valuation during such five-year period resulting from a still higher market value is similarly phased in over an additional five-year period from the date of such increase. The full increased assessed valuation targeted to be in effect after the end of the five-year period is called the "actual" assessed valuation, and the amount of the incremental assessed valuation upon which taxes are actually computed for each fiscal tax year during such five-year period is called the "transitional" assessed valuation.

TAXES – DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of Residential Units by purchasers who use such Residential Units as a personal residence was prepared by Sponsor based, in part, upon the Attorney's Income Tax Opinion prepared by Stroock & Stroock & Lavan LLP, counsel to Sponsor, a copy of which is set forth in Part I of this Plan.

STROOCK & STROOCK & LAVAN LLP IS COUNSEL TO SPONSOR AND NOT THE UNIT OWNERS. TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS IN CIRCULAR 230, ALL UNIT OWNERS, POTENTIAL UNIT OWNERS AND THE CONDOMINIUM ARE HEREBY INFORMED THAT (I) ANY TAX ADVICE CONTAINED IN THIS PLAN AND/OR THE ATTORNEY'S INCOME TAX OPINION IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING PENALTIES UNDER THE INTERNAL REVENUE CODE, (II) THE ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED IN THE PLAN, AND (III) EACH UNIT OWNER, EACH POTENTIAL UNIT OWNER, AND THE CONDOMINIUM SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

Deductibility of Mortgage Interest and Real Estate Taxes.

Each Residential Unit Owner will own such Unit Owner's Residential Unit and its appurtenant interest in the Common Elements in fee simple and each Residential Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Since each Residential Unit Owner will own such Unit Owner's Residential Unit in fee simple, the owner may mortgage such Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

It is the opinion of Stroock & Stroock & Lavan LLP that a Residential Unit Owner who uses such Unit Owner's Residential Unit as a personal residence and itemizes such Unit Owner's deductions will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that mortgage interest is deductible generally only with respect to (1) secured debt used to acquire or substantially improve a principal or second residence (up to a total indebtedness of $1 million), plus (2) other debt (not in excess of $100,000) secured by a principal or second residence. Interest on home mortgage debt in excess of those limitations would not be deductible. Special limitations also apply with respect to the deductibility of points and other prepaid interest, if any, on the mortgage debt and may apply to the overall allowance of itemized deductions.

Taxation of the Condominium

If the Condominium meets the requirements for qualification as a "homeowners association," under Section 528 of the Internal Revenue Code, which requirements are discussed in the Attorney's Income Tax Opinion, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources, such as interest earned on any reserve funds, and possibly income from assessments from Commercial Unit Owner (less expenses directly connected with the production of such income). Schedule B, Budget for the First Year of Condominium Operation, does not contemplate any substantial income which might be taxable and accordingly does not specifically budget any amounts for taxes for nonmembership or membership income.

Sponsor anticipates that the Condominium will qualify as a homeowners association. If the Condominium does not qualify as a homeowners association, or if it does but chooses not to make the election noted above, the present state of the Law is uncertain as to the tax treatment of any income of the Condominium in excess of appropriate deductions and credits. As discussed in the Attorney's Income Tax Opinion, the tax authorities may take the position that the Condominium is a separate taxable entity and that some or all of such income (including the nonmembership, and possibly membership, income described above less expenses related to such income) is subject to Federal corporate income tax, New York State Corporation Franchise Tax and New York City Corporate Franchise or Unincorporated Business Tax. Alternatively, it is possible that some or all of such income might be reportable directly by the Unit Owners or otherwise treated. The tax treatment of the Condominium may be affected by certain United States Treasury Department regulations relating to entity classification.

The qualification of an organization as a homeowners association is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in one year it may nevertheless qualify in one or more future years.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Stroock & Stroock & Lavan LLP, as counsel to Sponsor, bases its opinion, will not change. In no event will Sponsor, Stroock & Stroock & Lavan LLP, the Selling Agent, the Managing Agent or any other person connected with this offering be liable if at any time it is held that the Residential Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Units offered under this Plan, and no one has been authorized to give any warranties.

ATTORNEY'S INCOME TAX OPINION

STROOCK

January 13, 2005

Intell Chelsea LLC
225 West 86th Street
New York, New York 10024

Re: Condominium Offering Plan
The 15 West 20th Street Condominium (the "Condominium")

Ladies and Gentlemen:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the offered Residential Units for their own residential use pursuant to the above-referenced Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of the ownership of Residential Units by corporations, other entities or foreign persons. Furthermore, this opinion does not address the tax consequences of (i) ownership of any Unsold Residential Units, any Residential Unit that is used for commercial or mixed residential/commercial purposes, or any Units other than the Residential Units (such as the Commercial Units), (ii) ownership of any rights with respect to any Storage Bins, vault space, or any other storage space in or appurtenant to the Condominium, or (iii) any rebates or other payments that may be made, or benefits provided, to owners of Residential Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of the Residential Units will acquire their Residential Units and that the relevant facts are as set forth therein.

Pursuant to the Plan, the purchaser of a Residential Unit will receive legal title in fee simple to his or her Residential Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Residential Unit and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

Accordingly, based on the foregoing, it is our opinion that an owner of a Residential Unit who itemizes deductions and who uses his or her Residential Unit as a personal residence will be entitled under current law to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, real estate taxes assessed against his or her Residential Unit and paid to the local tax authority. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax. Owners of the Residential Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

Purchasers are advised that an exemption from real estate taxes may be available for veterans and other purchasers under the New York State Real Property Tax Law, as amended, and/or various codes, rules and regulations of the City of New York. Prospective purchasers are advised to consult with their own attorneys or other advisers to determine whether the prospective purchaser qualifies for any exemption from real estate taxes.

A taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which (i) is incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return), or (ii) is

any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period. Accordingly, an owner of a Residential Unit who itemizes deductions and uses his or her Residential Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Residential 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 (ii) home equity indebtedness with respect to his or her Residential 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). Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners 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 any overall limitation on the allowance of itemized deductions.

Each owner of a Residential Unit who uses his or her Residential Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Residential Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Furthermore, purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Residential Units.

If the Condominium qualifies as a homeowners association within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. However, even if the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve or working capital funds, and possibly income from assessments from the Commercial Unit Owner (in each case, less expenses directly connected with the production of such income).

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Residential Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based on the information contained in the Plan, including Schedule A to the Plan, and assuming that the Residential Units are used by individuals for residential purposes under Treasury Regulation § 1.528-4, at least 85% of the total square footage of all Units of the Condominium will be used by individuals for residential purposes. Based upon the foregoing and assuming (i) the Plan becomes effective during the taxable year ending December 31, 2006 (the "2006 Taxable Year"), (ii) the actual gross income and expenditures of the Condominium for the 2006 Taxable Year are the same as (or, if such year is a short taxable year, are in the same proportions as) the estimated gross income and expenditures for the Condominium's first full year of operations, as set forth in Schedule B to the Plan, (iii) the Condominium otherwise operates in accordance

with the terms of the Plan and the Plan Documents, and (iv) there are no changes in the facts and/or the relevant provisions of current law, the Condominium will be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2006 Taxable Year.

Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Board will act as the agent of the Unit Owners represented by such Board, the Condominium Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include, among other things, interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Residential Common Charges should not be considered income earned by the Condominium with respect to the Residential Unit Owners. If, however, the Condominium is considered a separate entity it is unclear whether the Condominium would be taxable as a corporation or treated as a partnership for Federal income tax purposes. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, it appears likely that the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General

Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it is still possible, although not certain, that the Condominium might be subject to the New York State Corporation Franchise Tax. Further, in such event, the Condominium likely would be subject to the New York City Unincorporated Business Tax, unless it were eligible for and elected treatment under Code Section 528 as a homeowners association.

****

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the IRS or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Stroock & Stroock & Lavan LLP, the Board, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or IRS rulings on which we have relied which cause the owners of Residential Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

Stroock & Stroock & Lavan LLP

STROOCK & STROOCK & LAVAN LLP

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339-i OPINION

STROOCK

January 20, 2005

Strategic Chelsea LLC
225 West 86th Street
New York, New York 10024

Re: The 15 West 20th Street Condominium
15 West 20th Street
New York, New York 10011 (the "Condominium")

Gentlemen:

You have requested our opinion regarding the allocation of common interests to the Units at the above referenced Condominium as required by NYCRR Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Offering Plan for the referenced project (the "Plan").

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Penmark Realty Corporation as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Penmark Realty Corporation.

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law Section ("RPL") 339-i (1)(iv), i.e., based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

Accordingly, based on the foregoing it is our opinion that Real Property Law Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to purchasers. In no event will the Sponsor, Stroock & Stroock & Lavan LLP, the Selling Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable law.

The opinion expressed herein is based solely on New York law.

STROOCK & STROOCK & LAVAN LLP • NEW YORK • LOS ANGELES • MIAMI
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We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and references to our name in the Plan.

Very truly yours,

Stroock + Stroock + Lavan LLP

STROOCK & STROOCK & LAVAN LLP

STROOCK & STROOCK & LAVAN LLP · NEW YORK · LOS ANGELES · MIAMI
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REAL ESTATE TAX OPINION

Real Estate Tax Estimate
for
15 West 20th Street
New York, New York

Prepared for:
Intell Management
225 West 86th Street
New York, N.Y. 10024

May 13, 2005

The Mazursky Group, Inc.
42 Broadway, Suite 1744, New York, NY 10004 (212) 344-2788
386 Park Avenue So., Suite 600, New York, NY 10016 (212) 696-2005

The Mazursky Group, inc.
Real Estate Tax Consultants and Appraisers

May 13, 2005

Intell Management
225 West 86th Street
New York, N.Y. 10024

Attention: Ms. Raizy Haas

Re: 15 West 20th Street
Manhattan, Block 822 Lot 25

I, JEROME MAZURSKY, CERTIFY:

THAT I am a real estate appraiser and have many years of experience in the assessment of real estate for tax purposes both as an Assessor in the Borough of Manhattan and as the Department of Finance's Assistant Commissioner of the Real Property Assessment Division;

THAT I have been retained by the sponsor, to estimate for inclusion in an Offering Plan to be submitted to the Attorney General, the assessed valuation of the above-captioned property after completion of its renovation;

THAT in estimating the assessed valuation of the property, I am aware of the renovation costs, rental values and offering prices of the units;

THAT I have consulted with personnel in the Property Division of the Department of Finance regarding the current practice in assessing newly renovated residential condominiums. Specifically, discussions centered around appropriate land and building factors and income projections for properties similar to the subject in type and location.

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I have discovered the following:

1) The subject property is a 9-story loft building (L2) located at 13-15 West 20th Street in the borough of Manhattan. The sponsor plans to gut-renovate the building and add a penthouse floor. After completion of construction and the establishment of a condominium, the building will contain one commercial unit and seventeen residential units.

The site has 56' frontage on the northerly side of West 20th Street and extends 92' in depth. It is rectangularly shaped and contains 5,152 square feet of ground area. The property is identified on the city's tax records as Block 822 Lot 25.

2) After completion of construction, which is scheduled for January 2006, the building will contain the following approximate square foot areas and uses:

FLOORS	AREA	USE
Cellar	5,500	Residential and Commercial Storage, Mechanical Rooms, Fitness Room, Community Room, Building Office and Workshop
Ground	5,152	1- Commercial Unit, Residential Lobby
2-9	36,552	16-2BR Apartments
PH	2,350	1-4BR Apartment

3) The property is currently assessed in Tax Class 4. After completion of construction and the establishment of condominium status, the commercial unit will continue to be assessed in Tax Class 4, whereas the residential units will be assessed in Tax Class 2 under the classification system adopted by the State Legislature in its revision of the Real Property Tax Law (Section 305, Article 1802, and Section 581, applicable to the assessment of cooperative apartments and condominiums.)

Tax Class 4 includes most properties which have uses other than residential. Tax Class 2 is comprised of residential rental, cooperatives or condominiums with 11 or more units. The City's assessment ratio policy for properties in Tax Classes 2 and 4 is to assess at 45% of market value based upon value as an income-producing property. Increases to value are unlimited, but except for increases due to physical changes, are required to be phased-in over a five-year period. The taxable value is the lower of the actual or transitional values.

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3) cont'd. The Class 4 tax rate for 2004/05 is $11.558 per $100. The Class 2 rate is $12.216 per $100. I estimate the tax rates for the next three years at $11.75 per $100 for Class 4 and $12.50 per $100 for Class 2.

4) The recent history of assessed valuation of 15 West 20th Street is as follows:

2002/03	Land	Total
Actual:	$ 585,000	$ 1,174,500
Transitional:	$ 585,000	$ 1,126,800

2003/04	Land	Total
Actual:	$ 729,000	$ 1,246,500
Transitional:	$ 613,800	$ 1,164,600

2004/05	Land	Total
Actual:	$ 747,000	$ 1,192,500
Transitional:	$ 646,200	$ 1,179,900

2005/06	Land	Total
Actual:	$ 792,000	$ 1,242,000
Transitional:	$ 687,600	$ 1,205,100

5) It is my judgment that after completion of the renovation, the assessed valuation of the property will be:

2006/07	Land	Total
Actual:	$ 1,600,000	$ 4,750,000
Transitional:	$ 887,100	$ 4,037,100

2007/08	Land	Total
Actual:	$ 1,600,000	$ 4,750,000
Transitional:	$ 1,086,100	$ 4,236,600

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6) Using relative values as a rental building as the criterion, I have estimated that the commercial unit will be assessed at 24% and the residential units at 76% of the total assessed valuation. The tax liability for the commercial and residential units during the first year of operation, beginning May 1, 2006, is estimated at $ 100,269 and $379,612, respectively. During the second year, the tax liability is estimated at $118,516 for the commercial unit and $399,255 for the residential units. The calculations are as follows:

First Year of Operation

Commercial Unit

5/01/06 - 6/30/06

$ 1,205,100[1] x .24[2] x .1175[3] x .17[4] = **$ 5,777**

7/01/06 - 6/30/07

$ 4,037,100[5] x .24[2] x .1175[3] x .83[4] = **94,492**

Total: $100,269

17 Residential Units

5/01/06 - 6/30/06

$ 1,205,100[1] x .76[2] x .1175[3] x .17[4] = **$18,295**

7/01/06 - 6/30/07

$ 4,037,100[5] x .76[2] x .125[6] x .83[4] = **279,973**

Total: 298,268

Second Year of Operation

Commercial Unit

5/01/07 - 6/30/07

$ 4,037,100[5] x .24[2] x .1175[3] x .17[4] = **$ 19,354**

7/01/07 - 6/30/08

$ 4,236,600[7] x .24[2] x .1175[8] x .83[4] = **99,162**

Total: $ 118,516

17 Residential Units

1/01/07 - 6/30/07

$ 4,037,100[5] x .76[2] x .1250[6] x .17[4] = **$ 65,199**

7/01/07 - 6/30/08

$ 4,236,600[7] x .76[2] x .1250[9] x .83[4] = **334,056**

Total: $ 399,255

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6) cont'd. Each unit will be given a separate tax lot number. Individual tax liability for each unit may be estimated by apportioning the total tax among the unit owners in proportion to the relative value of their space as indicated by the Offering Plan prices.

7) The co-op/condominium real estate tax abatement law, that over the past few years has had a favorable effect on the real estate tax burden of residential co-op and condominium unit owners, was recently extended by the State Legislature. The Legislature indicated its intention in passing this law was to address the disparity between the tax burden of one to three family homeowners and that of residential co- op and condominium unit owners. If the abatement to this condominium is granted, the law will allow up to a 17.5% abatement of the real estate tax bill of a unit owner who owned fewer than four units on the city's taxable status date of January 5, 2007. Excluded from receiving the abatement benefits are co-ops and condominiums that receive J-51 or 421A tax exemption benefits.

8) This estimate of the assessed valuation has been prepared for inclusion in the Offering Plan, and I consent to its use for this purpose.

Although the aforesaid estimate of the Actual Assessed Valuation is a good-faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on our interpretation of the administrative code and the applicable rules and regulations of the City of New York. Although I believe my opinions are well-founded, they are not intended, and should not be construed as warranties as to future assessed valuations of the property under discussion.

In no event will this firm, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater than that estimated above, or if the administrative code and the applicable rules and regulations of the City of New York are changed in the future, or if the facts as represented prove to be untrue.

Jerome Mazursky, MAI, CAE

The Mazursky Group, Inc.
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Footnotes

1. 2005/06 Taxable Assessed Value
2. Portion of value attributable to this type of space.
3. Estimated 2005/06, 2006/07 and 2007/08 Class 4 Tax Rate
4. Part of the year.
5. Estimated 2006/07 Taxable Assessed Value
6. Estimated 2005/06, 2006/07 and 2007/08 Class 2 Tax Rate
7. Estimated 2007/08 Taxable Assessed Value

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	15 West 20th Street		
	Percentage	1st Year's	Monthly
Unit	of Value	R.E Taxes	R.E Taxes
2W	5.2085%	$ 15,535.26	$ 1,294.60
2E	5.0035%	$ 14,923.92	$ 1,243.66
3W	5.3291%	$ 15,894.87	$ 1,324.57
3E	5.1241%	$ 15,283.53	$ 1,273.63
4W	5.4496%	$ 16,254.48	$ 1,354.54
4E	5.2447%	$ 15,643.14	$ 1,303.60
5W	5.5702%	$ 16,614.10	$ 1,384.51
5E	5.3652%	$ 16,002.76	$ 1,333.56
6W	5.6908%	$ 16,973.71	$ 1,414.48
6E	5.4858%	$ 16,362.37	$ 1,363.53
7W	6.0525%	$ 18,052.55	$ 1,504.38
7E	5.8475%	$ 17,441.21	$ 1,453.43
8W	6.3298%	$ 18,879.66	$ 1,573.30
8E	6.1248%	$ 18,268.31	$ 1,522.36
9W	6.5709%	$ 19,598.88	$ 1,633.24
9E	6.3659%	$ 18,987.54	$ 1,582.29
10-11PH	9.2372%	$ 27,551.71	$ 2,295.98
Total	**100%**	**$ 298,268.00**	**$ 24,855.67**

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ARTICLES PUBLISHED

"The Future of Assessed Valuations in New York City"
Assessment Digest, July 1979
The Valuer's Line, May 1980

Book Review of "You Can Get Your Real Estate Reduced"
Real Estate Review, Spring 1980

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C.P.A. Journal, July 1982

"Battling Taxes From a Different Vantage Point"
Real Estate Weekly, December 28, 1988

"Forecast of Real Estate Taxes in NYC"
Real Estate Weekly, January 1990

"Real Estate Tax Burden Shifting in New York"
REW - Review & Forecast, July 25, 1990

SCOPE OF APPRAISAL EXPERIENCE

Over a period of twenty-five years, I have valued thousands of properties of almost every conceivable type in New York City. Some of the more notable properties include:

Citicorp Building	Seagram Building
The Apthorp Apartments	800 Fifth Avenue
Hotel Pierre	Delmonico Apartments
General Motors Building	Union Carbide Building
Proctor & Gamble Industrial Plant	Mobil Building

The Appraisal Institute conducts a voluntary program of continuing education for its designated members. MAI's and SRA's who meet the minimum standards of this program are awarded periodic educational certification. I am currently certified under this program.

The Mazursky Group, inc.
Real Estate Tax Consultants and Appraisers

JEROME MAZURSKY, MAI, CAE
President

NYS Certified General R.E. Appraisers
46000001594

QUALIFICATIONS

EDUCATION

N.Y.U. School of Commerce - B.S.
Real Estate Courses

Appraising I, II	CUNY
Advanced Assessing	Cornell University
Appraising Problems	University of Connecticut
Computerized Mass Assessing	I.A.A.O.
Various Appraisal Courses	Appraisal Institute

PROFESSIONAL DESIGNATIONS

MAI	(Member of the Appraisal Institute)
CAE	(Certified Assessment Evaluator, IAAO)
IAO	(Institute of Assessing Officers, NYSAA)

EMPLOYMENT

1973-1980	Assessor - Manhattan
1978	Interim Acting Tax Commissioner for Staten Island
1981-1982	Assistant Commissioner (in charge of the Real Property Assessment Division of the Department of Finance)
1982-Present	Fee Appraiser / Real Estate Tax Consultant

MEMBERSHIP IN PROFESSIONAL ORGANIZATIONS

International Association of Assessing Officers
N.Y.S. Association of Assessors
Appraisal Institute
Rho Epsilon - Real Estate Fraternity
American Arbitration Association
Lambda Alpha

WORKING CAPITAL FUND AND APPORTIONMENTS

The Purchaser of each Residential Unit shall be required to make a contribution at the Closing of such Unit Owner's Unit(s) to the Working Capital Fund of the Residential Section (the "Working Capital Fund"). Such contribution shall be in an amount equal to one (1) month's Common Charges in effect for such Unit(s).

At the First Closing, Sponsor will apportion with the Board the following items as of midnight of the date preceding said Closing:

(1) employees' wages, vacation and severance pay, pension and welfare benefits and accruals, uniforms and all other payments or obligations relative to the employees of the Building;

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

(3) charges for electricity and other utilities for the General and Limited Common Elements;

(4) cost of fuel on hand (plus sales tax), if any;

(5) charges and receipts in connection with service, maintenance and concession contracts;

(6) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);

(7) cost of Building supplies on hand at Sponsor's cost (including sales tax);

(8) premiums for transferable insurance policies, if any;

(9) management fees; and

(10) other customary adjustments.

Adjustments for prepaid expenses between Sponsor and the Board, if any, may be deducted from the Working Capital Fund. If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable or there are insufficient funds in the Working Capital Fund, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

The Working Capital Fund will be held and used for working capital or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges collected from each Residential Unit.

The Condominium Board will be able to utilize the money in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. There is no minimum amount set for the Working Capital Fund regardless of the amount of adjustments. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Residential Units.

In the event that capital expenditures for renewal or replacement of building components or systems or to remedy major building defects are needed, it may be necessary to increase Common Charges or make special assessments payable by Unit Owners who are responsible for the repair and replacement of the Common Element in need of such renewal, replacement or remedy. Alternatively, the Board may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval. In addition, pursuant to the By-Laws the Board is entitled to determine amounts for a reserve for replacements in establishing the annual budgets. No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, for the first or any subsequent year of Condominium operation. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

RESERVE FUND

No reserve fund for capital expenditures has been established for the Condominium. The contingency fund reflected in Schedule B is not intended and may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If funds are required to meet such costs, it may be necessary to increase monthly Common Charges or institutive a special assessment of Common Charges.

MANAGEMENT AGREEMENT

The Condominium Board will enter into a management agreement (the "Condominium Management Agreement") with Extell Development Company, having an address at 800 Third Avenue, New York, New York, 10022 (the "Managing Agent"), with respect to the Building at or prior to the First Closing. The principals of the Managing Agent are affiliated with Sponsor and its principals.

The Condominium Management Agreement provides for a term of two (2) years commencing on the First Closing and thereafter, if not otherwise terminated by the Condominium Board for a one year period, subject to any changes in fees set forth in a notice to be delivered to the Condominium Board which must be served at least forty-five (45) days but not more than sixty (60) days prior to the expiration of the initial term of the Condominium Management Agreement. The Condominium Management Agreement may only be terminated by the Condominium Board for cause; if the Managing Agent shall fail to perform or abide by any of its services, agreements, representations, warranties, covenants, or obligations herein, and shall fail to cure said failure within 30 days of notice of said failure sent by the Condominium to the Managing Agent, the Condominium shall have the right to terminate the Condominium Management Agreement at the end of any calendar month on not less than sixty (60) days' prior written notice to the Managing Agent. If the Condominium shall unreasonably refuse to comply with or abide by any proper rule, order, determination, ordinance or Law of any federal, state or municipal authority having jurisdiction or asserting jurisdiction, the Managing Agent may terminate this agreement at anytime on ten (10) days' prior notice in writing to the Condominium. The Managing Agent may otherwise terminate this Agreement on thirty (30) days' prior written notice to the Condominium. The Condominium may not assign the Management Agreement. However, the Managing Agent shall have the right to assign the Agreement without the Condominium's consent as required to secure or collateralize any financing it may obtain, or to any affiliate or to a corporation that acquires all the issued and outstanding shares of the Managing Agent, provided that such assignee agrees to assume and perform all of the terms and conditions of the Managing Agent under the Agreement from and after the effective date of such assignment.

The Managing Agent will receive an annual fee of $25,000 during the first year of condominium operation and $26,250 during the second year of condominium operation, payable in equal monthly installments. In addition, for services rendered to Residential Unit Owners (other than Sponsor or its designee) in connection with processing applications to sell or otherwise transfer Units and obtaining necessary waivers of the right of first refusal by any Boards, the Managing Agent shall receive the following fees from Residential Unit Owners (i) $550 upon the sale, lease or other transfer of a Unit for reviewing the waiver of the Condominium's right of first refusal and other required documents, (ii) $350 in connection with the processing of a lease renewal application for a Residential Unit Owner, (iii) $350 in connection with a Residential Unit Owner's application for an appraisal or mortgage refinancing an (iv) $300 in connection with the alteration or renovation of a Residential Unit where an alteration does not entail in excess of $10,000 of work. In the event such alterations exceed $10,000 the Managing Agent shall be entitled to a fee equal to $300 or 2% of the cost of the alterations whichever is greater. In addition, refundable fees for move ins may be required of each Purchaser or tenant. Such fees may be retained by the Condominium in the event a

Purchaser, tenant or their agents damages the Common Elements during the move in. The fees charged by the Managing Agent are consistent with fees charged with other managing agents managing buildings in Manhattan. The fees charged by the Managing Agent are consistent with fees charged with other managing agents managing buildings in Manhattan.

The Condominium Board shall reimburse the Managing Agent for all reasonable out of pocket expenses incurred by Agent in the performance of its duties under the Condominium Management Agreement including, but not limited to, messenger expenses and storage charges for the Condominium Board's documents and filing fees.

The duties and services to be rendered by the Managing Agent include, among others:

(1) billing and collecting Common Charges payable by the Residential Unit Owners and the Commercial Unit Owner;

(2) causing the Common Elements to be maintained, repaired, replaced and altered in the manner deemed advisable by the Condominium. The approval of the Condominium Board is necessary for any expenditure of over $25,000 for any one item of ordinary repairs or alterations (other than emergency repairs or repairs to comply with a governmental notice or order);

(3) contracting for necessary services and purchasing all supplies necessary to properly maintain and operate the Building and the Common Elements subject to the approval of the Condominium Board where such service contract is in excess of three (3) years or $15,000 per annum requires the consent of the Condominium, unless said service contract is part of a pre-approved budget;

(4) checking all bills received in connection with the maintenance and operation of the General Common Elements or the Residential Common Elements which are the responsibility of the Condominium Board under the Condominium Declaration and By-Laws and causing all such bills and other expenses to be paid;

(5) supervising, hiring and discharging employees necessary for the proper maintenance and operation of the Building;

(6) rendering monthly statements of receipts and disbursements to the Condominium Board or other designated entity, upon request;

(7) maintaining payroll records and filing withholding tax statements for employees of the Condominium;

(8) maintaining accurate sets of books for the Condominium Board;

(9) cooperating with the Condominium Board's accountants in preparing and submitting annually to the Condominium Board an operating budget of the anticipated income and expenses for the ensuing year;

(10) attending annual meetings of the Condominium Board and Unit Owners, and preparing agendas and sending notices relating to such meetings, and if requested by the Condominium Board, provide a secretary, at such Board's expense to record the minutes of such meeting; and

(11) generally, doing all things deemed reasonably necessary or desirable by the Condominium Board for the proper management of the Building or the Residential Section, as the case may be.

The Condominium Board will indemnify the Managing Agent against liability for all claims for all acts properly performed by the Managing Agent pursuant to the Condominium Management Agreement or at the instructions of such Board, provided however; any such indemnification shall not cover any claims resulting from the Managing Agent's gross negligence or willful misconduct.

The Condominium Management Agreement cannot be assigned without the written consent of the Condominium Board and the Managing Agent, except that the Managing Agent may assign the Condominium Management Agreement to an entity in which one or more of the principals are also principals of the Managing Agent.

Notwithstanding anything to the contrary set forth above, the Managing Agent's responsibility under the Condominium Management Agreement shall not extend to supervising or managing major capital renovations or major capital improvements, unless specifically agreed upon in writing by the parties and unless the Managing Agent receives an additional fee therefor. The Managing Agent, at the expense of the Condominium, will be bonded during the term of the Condominium Management Agreement under fidelity or general surety bonds in the amount of not less than $25,000 in favor of Condominium for any loss resulting from fraudulent or dishonest acts committed by the Managing Agent, its directors, officers or employees.

IDENTITY OF PARTIES

Sponsor

Sponsor is Strategic Chelsea LLC, a Delaware limited liability company with an office at 800 Third Avenue, New York, New York, 10022 formed on July 8, 2003.

The sole member of Sponsor is Intell Condos LLC, a Delaware limited liability company formed on July 8, 2003. The principal of Sponsor is Gary Barnett, having a business address at 800 Third Avenue, New York, New York, 10022. Gary Barnett has been involved in ownership, management and sale of real estate for a number of years.

Gary Barnett is the manager of Intell Condos LLC. Mr. Barnett, who is president of Extell Development Company ("Extell"), has a business address of 800 Third Avenue, New York, New York 10022. Mr. Barnett has been involved in ownership, management, development and sale of real estate through his companies since 1989. As asset manager and owner of a real estate portfolio exceeding 7,000,000 square feet, Mr. Barnett has spearheaded condominium conversions, new construction, development and repositioning of trophy landmark properties. Most recently, Extell acquired and sold the Enron Tower in Houston, Texas and completed construction of the Times Square Hotel and leased it to Starwood for use as their "W" flagship hotel. In Downtown Chicago, Extell has redeveloped the historical building known as the Insurance Exchange Building of approximately 1,500,000 square feet to Class A office space, in Boston Extell is developing a mixed-use waterfront condominium comprised of parking, retail, and residential units and in Miami, Florida Extell is constructing residential condominiums.

The principal of Sponsor has not been involved in any condominium or cooperative offering plans for the last five years and do not own ten (10%) percent or more of the unsold units or unsold shares in any building except that Mr. Barnett has been involved in the following offerings as a principal:

The Gatsby
65 East 96th Street
New York, New York 10128

The Briarcliffe
171 West 57th Street
New York, New York 10019

330 East 72nd Street Condominium
330 East 72nd Street
New York, New York 10021

The Stanhope
995 Fifth Avenue
New York, NY 10028

45 Walker Street
45 Walker Street
New York, New York 10013

The Orion Condominium
350 West 42nd Street
New York, NY 10036

Altair 18
32 West 18th Street
New York, New York 10022

Ariel West
245 West 99th Street
New York, NY 10025

Ariel East
2628 Broadway
New York, NY 10025

The principal does not currently own ten (10%) or more of the unsold units or unsold shares in the foregoing offerings. The principal of Sponsor is current with respect to its obligations for the other buildings.

There have been no prior felony convictions of Sponsor, or the principal of Sponsor; and no prior convictions, injunctions and judgments against Sponsor, or the principal of Sponsor that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Selling Agent

The Selling Agent for this offering is Corcoran Group Marketing, having an address at 888 Seventh Avenue, 39th Floor, New York, New York 10106. The Selling Agent has been involved in the sale of coops and condominiums in Manhattan for a number of years.

There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent; and no prior convictions, injunctions and judgments against Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

Managing Agent

Extell Development Company, having an office at 800 Third Avenue, New York, New York will be the managing agent for the Building. (See the Section entitled "Management Agreement" in Part I of the Plan). The Managing Agent is affiliated with Sponsor. The Managing Agent has been engaged in the development ownership, operation and management of New York City residential properties for a number of years.

There have been no prior felony convictions of the Managing Agent, or any principals of the Managing Agent; and no prior convictions, injunctions and judgments against the Managing Agent, or any principals of the Managing Agent that may be material to the Plan or an offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

A list of properties which have been managed by the Managing Agent include

The Belnord
225 West 86th Street
New York, New York 10024

1286-1290 First Avenue
New York, New York 10021

529 Broome Street

239 West 20th Street
New York, New York 10011

157 West 57th Street
New York, New York 10019

65 East 96th Street

New York, New York 10013

560 West 34th Street
New York, New York 10013

72-76 Green Street
New York, New York 10012

45 Walker Street
New York, New York

305-311 East 46th Street
New York, New York

New York, New York 10128

53 West 46th Street
New York, New York 10036

470 Broome Street
New York, New York 10013

32 West 18th Street
New York, New York

Attorneys for Sponsor

Sponsor has retained the law firm of Stroock & Stroock & Lavan LLP, having an office at 180 Maiden Lane, New York, New York 10038 to represent it in connection with the Plan. Stroock & Stroock & Lavan LLP prepared the Plan, the Declaration, the By-Laws and the forms of Agreement, Residential Unit Deed and Power of Attorney and has also rendered an opinion with respect to the availability of income tax deductions to purchasers of Residential Units and compliance with Section 339-i of the Real Property Law. Michel Evanusa, Esq. had principal responsibility for the preparation of the Plan. Stroock & Stroock & Lavan LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to Unit Closings.

Sponsor has retained Jerome Mazursky, having offices at the Mazursky Group, Inc., 42 Broadway, Suite 1744, New York, New York 10004 to represent it in connection with the estimated valuation of the Property for real estate tax purposes.

Sponsor's Architects/Engineers

The architect for the Building is Avinash K. Malhotra Architects, having an office at 148 West 24th Street, 6th Floor, New York, New York 10011, has examined the physical condition of the Building and has rendered its report thereof and a certification which are set forth in Part II of this Plan. The Architect has been providing architectural and engineering services for many years. All statements and representations made in this Plan with respect to the "Description of Property" have been made in reliance upon the Architect and its authority as an expert. The Architect has no financial interest in the Property, Sponsor, the Selling Agent and the Managing Agent, or any other parties interested in this transaction, except for its fee for services rendered.

Mechanical, Electrical and Plumbing Engineers

Athwal and Associates, Inc., having an office at 171 Madison Avenue, Suite 308, New York, New York, were the mechanical, electrical and plumbing and fire protection engineers for the Building.

Structural Engineer

DeSimone Consulting Engineers, PLLC, having an office at 18 West 18th Street, New York, New York 10011 is the structural engineers for the Building.

Sponsor's Energy Expert

Athwal and Associates, Inc., having an address at 171 Madison Avenue, New York, New York 10016, prepared the estimates of energy usage by individual Residential Unit Owners set forth in Part I of the Plan.

Sponsor's Condominium Expert

Penmark Realty Corp., having an address at 5 East 86th Street, New York, New York 10016, estimated all amounts of income and expenses in Schedule B, "Projected Budget for First Year Of Condominium Operation" in consultation with Sponsor and provided its opinions regarding the adequacy of the Budget and the adequacy of the Common Charges payable by the Commercial Unit Owners. Penmark Realty Corp. also provided the opinion regarding Sponsor's compliance with Section 339-i of the Real Property Law.

Service of Process

The Secretary of State of the State of New York has not been designated to receive service of process since all principals of Sponsor are residents of the State of New York.

REPORTS TO UNIT OWNERS

It is the obligation of the Condominium Board to give Unit Owners annually:

(1) a financial statement of the Condominium prepared by a certified public accountant within four months after the end of each fiscal year, which statement shall be certified while the Sponsor is in control of the Condominium Board;

(2) prior notice of the Annual Unit Owner's meeting; and

(3) a copy of the proposed annual budget of the Condominium delivered to Unit Owners at least five (5) days prior to the adoption thereof. For so long as Sponsor controls the Condominium Board, Sponsor will have the annual budget of the Condominium certified in accordance with 13 NYCRR 20.4(d).

RECORDATION, INSPECTION AND DELIVERY OF DOCUMENTS

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers, and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of six years all without charge and for copying for a reasonable charge. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be in the City Register's Office.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Agreement, form of Residential Unit deed, form of Power of Attorney and other documents and Purchasers are urged to read the documents set forth in Part II of the Plan in their entirety. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

It should be noted that the Building was initially completed in approximately 1904. While the Property is undergoing a substantial renovation at the present time, including repair to the facade of the Building, the facade is an existing structural element of the Building and, as all prudent property owners are aware, a program of ongoing Maintenance is typically required to insure the integrity of a building.

Under applicable Federal and local Law, leaded paint can no longer be used in the construction of the Building. Local Law 38 of 1999 ("Local Law 38") provides that where an owner has notice that a child under the age of six resides in the apartment, the "owner" must conduct annual inspections for peeling paint and deteriorated surfaces. An owner must abate and repair peeling paint, smooth all bare floors and repair deteriorated sub-surfaces and binding doors and windows, whenever the foregoing inspection reveals such conditions or an apartment becomes vacant. The existence of a lead paint hazard is a Class C immediately hazardous violation. The foregoing requirements would apply whenever a Unit Owner rents such Unit Owner's Unit or sells the Unit to a party other than the party residing in such Unit. For purposes of compliance with Local Law 38, Unit Owners are each deemed the "owner" of their respective Units. Local Law 38 was recently overturned by a state Supreme Court judge who found that the City Council did not follow proper environmental review procedures before passing the statute. The City of New York may appeal the decision. Sponsor makes no representation whether Local Law 38 will be upheld upon appeal, whether the City of New York will adopt another local law dealing with lead based paint or what the provisions of such law may be. Prospective purchasers are urged to review Local Law 38 or any successor statute and any regulations or requirements promulgated with respect thereto for a full description of the obligations of a Unit Owner thereunder. Under Federal Law, Sponsor must provide Purchasers with all available records and material pertaining to lead-based paint and/or lead-based hazards in the Building. Sponsor is not aware of any lead-based paint or lead-based paint hazards in the Building and has no records or materials pertaining to same. Sponsor will comply with applicable Law concerning the use of lead-based paint. Set forth as an Exhibit in Part II of this Plan is a copy of the booklet issued by the United States Environmental Protection Agency, EPA 747-K-95-001, which details certain information regarding lead based paint. In accordance with the terms of the rider annexed to the Agreement, Purchasers have the right to inspect their Units for the presence of lead-based paint. Please refer to the Agreement set forth in Part II of the Plan for further details.

Sponsor intends to provide carbon monoxide detectors in each Unit in accordance with New York City Local Law 7 of 2004. Each Unit Owner will be responsible to keep and maintain the carbon monoxide detectors in good repair and to replace any carbon monoxide detectors which has been stolen, removed, found missing or rendered inoperable. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Residential Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than the respective Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of Sponsor's obligations hereunder and no such third party(including without limitation, parties purchasing from Purchasers) shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel an Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the purchase price or payment terms contained in such Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a material amendment to the Plan as to which rescission is required by the Department of Law, Purchasers will have a right of rescission which may only be exercised within 15 days from the date of presentation of said amendment. Escrow Agent shall promptly return any Deposit, together with any interest thereon, to Purchasers who rescind, except that Escrow Agent shall return to Sponsor the Deposit (and any interest thereon) of any Purchaser who is in default under the Agreement beyond any applicable grace period.

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's sex, race, creed, color, national origin, marital status, age, disability or any other ground proscribed by Law.

Unless the context otherwise requires, words used in the singular in Part I of the Plan include the plural and vice versa, and a reference herein to any one gender, masculine, feminine or neuter, includes the other two.

No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally.

The Property and the Building have not been the subject of any prior public offerings. Sponsor has previously tested the market pursuant to Cooperative Policy Statement No. 1, File No. CP05-0008.

As of the date this Plan is accepted for filing, no Contracts or agreements, written or oral, have been entered into for the sale or transfer of any Units of the Property and no deposits or advances of funds have been taken by or on behalf of the Sponsor in connection with the reservation, sale or transfer of such Units. Furthermore, all of the Units offered under this Plan are vacant as of the date this Plan is accepted for filing.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property set forth as Exhibit 4 in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Property.

PART II

ALTAIR 20

15 WEST 20TH STREET

NEW YORK, NEW YORK 10011

EXHIBIT "1"

AGREEMENT

AGREEMENT

Strategic Chelsea LLC

Sponsor-Seller

TO

_____

Purchaser

UNIT NUMBER _____

RESIDENTIAL SECTION

OF

ALTAIR 20
15 WEST 20TH STREET
New York, New York 10011

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RESIDENTIAL SECTION

OF

ALTAIR 20
15 WEST 20TH STREET
NEW YORK, NEW YORK 10011

(to be executed in quintuplicate)

This agreement (the "Agreement"), made as of the date on the signature page of the Agreement, between Strategic Chelsea LLC, a Delaware limited liability company, having an office at 800 Third Avenue, New York, New York 10022 ("Sponsor"), and

_____, having an address at

_____ ("Purchaser").

WITNESSETH:

1. THE PLAN. Purchaser acknowledges having received and read a copy of the Offering Plan for the Residential Section of Altair 20 and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least three (3) days prior to Purchaser's signing this Agreement. If Purchaser has not received and read the Plan and all amendments thereto at least three (3) full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding.

2. DEFINITIONS. Terms used herein which are also used in the Plan shall have the same meanings herein as therein unless the context otherwise requires.

3. THE UNIT. Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the unit ("Unit") to be designated as Unit _____ in the Plan, together with the ___ percentage undivided interest in the General Common Elements of the Condominium appurtenant thereto.

4. PURCHASE PRICE.

4.1 The purchase price for the Unit ("Purchase Price") is $_____

The Purchase Price is payable as follows:

(a) $_____ (the "Deposit"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged.

(b) $_____ (the "Additional Deposit"), by check payable no later than the earlier to occur of: (i) _____ which is four (4) months after the date of the Agreement or (ii) fifteen (15) days after Sponsor presents an amendment declaring the Plan effective, but in no event later than the Closing, subject to collection. The Initial Deposit and the Additional Deposit are hereinafter collectively referred to as the "Deposit."

(c) $_____, constituting the balance of the Purchase Price, payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency and shall be drawn on or issued by a New York bank or trust company which is a member of The New York Clearing House Association, unless otherwise agreed to by Sponsor. Checks for the Deposit (other than any portion of the Deposit paid at the Closing pursuant to the provisions of this Agreement) shall be made payable to "Stroock & Stroock & Lavan LLP, Escrow Agent." Checks for the balance of the Purchase Price (including any portion of the Deposit paid at the Closing pursuant to the provisions of this Agreement) shall be made payable by good certified check of Purchaser or official bank check to the direct order of "Strategic Chelsea LLC" or such other party as Sponsor may designate upon not less than two (2) days prior notice. If any check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void ab initio and of no further force and effect and may institute an action against Purchaser for the collection of the Deposit as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 15 hereof.

5. CLOSING OF TITLE.

5.1 The closing of title shall be held at such place in the City and State of New York and on such date and hour as Sponsor may designate to Purchaser on notice served not less than thirty (30) days' prior to the scheduled date for closing. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing an extra fee as set forth in the Plan. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser. In the event of such adjournment, a closing may be rescheduled by Sponsor upon written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title and will be given not less than two (2) business days prior to the new scheduled date and time for closing. In the event this Agreement is executed after the First Closing, the closing of title shall occur thirty (30) days after the date of this Agreement.

5.2 The closing of title shall occur only after or concurrently with the compliance with the prerequisites as set forth under "Terms of Sale" in Part I of the Plan.

5.3 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 5.1 hereof.

6. DELIVERY OF THE DEED AND POWER OF ATTORNEY.

6.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying title to the Unit to Purchaser. The deed shall be prepared by Sponsor in substantially the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by Law, all of which shall be prepared by Sponsor.

6.2 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board and Sponsor substantially in the form set forth in Part II of the Plan.

6.3 The deed and power of attorney to the Condominium Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the Managing Agent.

6.4 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Code Withholding Section and (ii) each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with IRS §6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

7. FEE TITLE. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any encumbrance to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) Commonwealth Land Title Insurance Company, having an address at 655 Third Avenue, New York, New York 10017 (tel: (212) 949-0100, fax: (212) 983-8430) (or such other title insurance company as Purchaser may utilize), is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

8. CLOSING ADJUSTMENTS AND REAL ESTATE TAXES.

8.1 Subject to Paragraph 15 hereof, the following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges for the month in which title closes; and

(c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering the Unit.

8.2 If closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date, the adjustments and collection of taxes under subsection 8.1(a) hereof and future tax payments shall be as described in the Section of the Plan entitled "Closing Costs and Adjustments."

8.3 If Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

8.4 The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein.

8.5 Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party promptly after discovery. The provisions of this subsection shall survive the closing.

9. MORTGAGE TAX CREDIT. In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. Sponsor at closing will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

10. CLOSING COSTS. In addition to those costs and adjustments described in Articles 8 and 9 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in Part I of the Plan entitled "Closing Costs and Adjustments."

11. DEPOSIT. The Deposit made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law (the provisions of which are set forth in Part II of the Plan and deemed incorporated herein by reference) and Sections 352-e(2-b) and 352-h of the General Business Law of the State of New York. Any Deposit received from Purchaser will be held in accordance with the provisions of the Subsection entitled "Escrow and Trust Fund Requirements" under the Section entitled "Procedure to Purchase" set forth in Part I of the Plan. By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title under this Agreement. Sponsor is required by Law to submit a Form 1099 to the Internal Revenue Service reporting interest earned on Purchaser's Deposit, if any. Purchaser will be taxed accordingly on such interest.

12. BINDING EFFECT OF DECLARATION, BY-LAWS AND RULES AND REGULATIONS. Purchaser hereby accepts and approves the Plan (including the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

13. AGREEMENT SUBJECT TO MORTGAGE. No encumbrance shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its (their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

14. PURCHASER'S REPRESENTATIONS. Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at any time, such documents evidencing Purchaser's authority as may be required by Purchaser's title company or Sponsor. Purchaser acknowledges and agrees that Sponsor may desire to obtain certain information about Purchaser's (or Purchaser's principals) character, general reputation, personal characteristics and mode of living prior to counter-executing this Agreement and in order to permit Sponsor to comply with the requirements of the Fair Credit Reporting Act, Purchaser hereby authorizes Sponsor, if Sponsor elects in its sole discretion, to obtain such information and to retain a credit reporting agency to obtain such information.

15. DEFAULT BY PURCHASER.

15.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to pay the Additional Deposit or the balance of the Purchase Price on the Closing Date designated by Sponsor; or

(ii) Purchaser's failure to duly complete and sign before a notary public and deliver at closing the power of attorney or the New York State and City transfer tax returns; or

(iii) If Purchaser is or becomes the tenant of record of the Unit, Purchaser's failure to pay rent or to otherwise comply with Purchaser's lease or tenancy obligations; or

(iv) If Purchaser is or becomes the tenant of record of the Unit and Purchaser vacates or abandons the Unit; or

(v) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(vi) If a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same; or

(viii) Purchaser's failure to pay any closing costs set forth in this Agreement or the Plan, on the Closing Date designated by Sponsor; or

(ix) The failure to pay, perform or observe any of Purchaser's other obligations hereunder.

15.2 TIME IS OF THE ESSENCE with regard to Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of Purchaser's other obligations hereunder, Sponsor shall give notice to Purchaser of such default. If such default shall not be cured within thirty (30) days thereafter, Sponsor may, at its option, cancel this Agreement by notice of cancellation to Purchaser or bring an action against Purchaser for specific performance. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder (including any amounts paid by Purchaser for additional work in the Unit), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

15.3 If Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date (a) the closing apportionments described in Section 8.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

16. CLOSING CONTINGENT UPON PLAN BEING DECLARED EFFECTIVE

16.1 The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the Plan, as same may be amended from time to time. Purchaser understands and agrees that Sponsor shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter in certain limited cases set forth in the Plan (see the Section in the Plan entitled "Effective Date" for full details). Sponsor shall notify Purchaser, in writing or by a duly filed amendment to the Plan, when the Plan becomes effective or is abandoned.

16.2 If the Plan is abandoned or if after being declared effective the Plan will not be consummated for any reason, this Agreement will be deemed canceled and the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, will be disbursed to Purchaser, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section of the Plan, entitled "Effective Date." After the monies are so disbursed, Purchaser and Sponsor will have no claim against each other or the Selling Agent in connection with this Agreement or the Plan, and all of same will be released and discharged from all liabilities and obligations hereunder and under the Plan.

17. SPONSOR'S INABILITY TO CONVEY THE UNIT. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy will be to either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor will, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section of the Plan, entitled "Terms of Sale," and, upon making such payment, this Agreement will be terminated and neither party hereto will have any further rights, obligations or liability to or against the other under this Agreement or the Plan.

The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it will be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

18. FIXTURES, APPLIANCES AND PERSONAL PROPERTY. Only those fixtures, appliances and items of personal property which are described in the Description of the Property in Part II of the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement. At the Closing, Sponsor shall transfer to Purchaser any assignable warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in the Unit.

19. ACCEPTANCE OF CONDITION OF PROPERTY. Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) the "punch list" items in the Unit (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit provided that Sponsor delivers a temporary certificate of occupancy for the Unit. The Unit and the fixtures and personal property contained therein, are being sold and delivered as described in the Plan, at the time of transfer of title to such Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Unit, and the fixtures and personality contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Unit shall have the right to inspect such Unit prior to the Closing Date. However, the failure of Sponsor to complete "punch list" type work shall not be a ground for Purchaser delaying the Closing provided that Sponsor agrees to complete such work promptly after closing. Purchaser will receive at least five (5) business days notice that the Unit is available for inspection and Sponsor reserves the right to postpone and/or reschedule any scheduled inspections of the Unit upon one (1) business day's notice and Sponsor reserves the right to schedule additional inspections as Sponsor deems necessary or appropriate. If Purchaser fails to inspect the Unit within said period(s), Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Except as expressly provided in this Agreement or the Plan, including but not limited to subparagraph (f) of the subsection entitled "Sponsor's Obligations with Respect to the Building" of the Section entitled "Rights and Obligations of Sponsor," Sponsor shall have no obligation to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property. Sponsor is obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Without limiting the generality of the foregoing, Sponsor hereby disclaims any and all express or implied warranties as to view, light quality, sound and/or odor transmission, the existence of molds, mildew, spores, fungi and/or other toxins within the Condominium. Sponsor has not given and Purchaser has not relied on or bargained for any such warranties. In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan

will control. In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise). See the Section entitled "Rights and Obligations of Sponsor" under the Subsection entitled "Sponsor's Obligations With Respect to the Building" in Part I of the Plan for further discussion. The provisions of this Paragraph shall survive Closing.

Sponsor will not be obligated to correct, and will not be liable to the Board or Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including kitchen appliances and bathroom fixtures), except as more as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

Notwithstanding the foregoing, Sponsor will be obligated to repair abnormal scratches in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filling or refinishing the same, but Sponsor will not be obligated to replace any such surfaces. The provisions of this Article shall survive the closing of title.

20. DAMAGE TO THE UNIT. If between the date of this Agreement and the closing of title the Unit is damaged by fire or other casualty, the following shall apply:

20.1 The risk of loss to the Unit by fire or other casualty is assumed by Sponsor until the earlier of closing of title or possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title.

20.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto and the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement will be deemed canceled and of no further force and effect and Sponsor will return to Purchaser the Deposit paid by Purchaser hereunder, together with interest earned thereon, if any, subject to Sponsor's rights to retain certain funds deposited by Purchaser for special work in the Unit, as more particularly described in the Section of the Plan, entitled "Terms of Sale," and neither party hereto will have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor will retain all such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

21. NO REPRESENTATIONS. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by

Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on such Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. The provisions of this Article shall survive the closing of title.

22. PROHIBITION AGAINST ADVERTISING. Prior to the closing of title, Purchaser shall not list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without Sponsor's prior written consent. Furthermore, Purchaser shall not list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease until the earlier to occur of (i) eighteen (18) months after the closing of title to the Unit or (ii) the sale of all the Residential Units by Sponsor, without Sponsor's prior written consent. Any conveyance in violation of the foregoing will be voidable by Sponsor. The provisions of this Paragraph shall survive Closing.

23. BROKER. Purchaser represents to Sponsor that Selling Agent and [ ] (collectively the "Broker") is [are] the only broker(s) or sales agent(s) with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by the Broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the Broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article 23 shall survive the closing of title.

24. AGREEMENT MAY NOT BE ASSIGNED. Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. If Purchaser is a corporation, partnership, limited liability company, trust or other legal entity, any sale, assignment, transfer, pledge, encumbrance or other disposition of any of the ownership interest of Purchaser (including without limitation, the stock, membership or beneficial interests of the stockholders, partners, members or beneficiaries of Purchaser or its stockholders, partners, members or beneficiaries) shall be considered an assignment of this Agreement and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement. For purposes of this Agreement, it is the intent of the part(ies) that the individuals controlling Purchaser shall be deemed to be _____. Any purported assignment by Purchaser in violation of this Agreement will constitute a default hereunder and will be voidable by Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its

sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser will be required to pay Sponsor's attorneys a fee of $1,000, in advance, for preparation of an assignment agreement.

25. BINDING EFFECT. This Agreement shall not be binding on Purchaser or Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within thirty (30) days after delivery by Purchaser of an executed Agreement by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and canceled and the deposit paid on the execution hereof shall be promptly returned to Purchaser.

26. NOTICES. Any notice, request, letter, consent or other communication hereunder or under the Plan (other than amendments to the Plan which shall be served in accordance with the Plan or documents for which the method of notice and or delivery is otherwise set forth in the Plan) shall be in writing and delivered by regular mail as well as hand delivered or sent, postage prepaid, by registered or certified mail, by facsimile or by Federal Express or other reputable overnight courier, to Purchaser at the address given at the beginning of this Agreement, and to Sponsor at the address given at the beginning of this Agreement, with a copy to Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038, Attn.: Michel Evanusa, Esq. in the same manner as notice is given to Sponsor, or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself (including, without limitation, any notices of closing or default which Sponsor's counsel is hereby expressly designated and empowered to issue). A failure by Purchaser to acknowledge receipt of any notice, request, letter, consent or other communication hereunder shall not in anyway invalidate such communication. Notwithstanding anything to the contrary, notices regarding closing costs or ministerial matters, the rescheduling of Closing Dates or the scheduling or rescheduling of inspections may be made by facsimile to each party's attorneys.

27. JOINT PURCHASERS. The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be joint and several.

28. PERFORMANCE BY AND LIABILITY OF SPONSOR. Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan, 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law §352-e, except those (if any) herein or therein expressly stated to survive delivery of such deed.

29. FURTHER ASSURANCES. Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to

confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. The provisions of this Article shall survive the closing of title.

30. AGREEMENT NOT CONTINGENT UPON FINANCING. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Section 4 of this Agreement, and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance Purchaser's purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement.

31. COSTS OF ENFORCING AND DEFENDING AGREEMENT. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder.

32. SEVERABILITY. If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

33. STRICT COMPLIANCE. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

34. GOVERNING LAW. The provisions of this Agreement shall be governed by and construed in accordance with the Laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of Law.

35. WAIVER OF JURY. EXCEPT AS PROHIBITED BY LAW, THE PARTIES SHALL, AND THEY HEREBY DO, EXPRESSLY WAIVE TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF, OR CONNECTED WITH, OR RELATING TO, THE PLAN THIS AGREEMENT OR THE RELATIONSHIP CREATED HEREBY. THE PROVISIONS OF THIS ARTICLE SHALL SURVIVE THE CLOSING OF TITLE.

36. ENTIRE AGREEMENT. This Agreement together with the Plan constitutes the entire agreement between the parties and supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof.

37. CERTAIN REFERENCES. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

38. CAPTIONS. The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

39. RULE OF CONSTRUCTION. There shall be no presumption against the draftsman of this Agreement or the Plan.

40. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

41. NO ORAL CHANGES. This Agreement cannot be changed or terminated and no provision waived orally. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES HERETO OR BY AN AMENDMENT TO THE PLAN.

42. COUNTERPART SIGNATURES. This Agreement may be executed in any number of counterparts, any one of which shall constitute an original of this Agreement. When counterparts have been executed by all parties, they shall have the same effect as if the signatures to each counterpart were upon the same documents and shall be deemed valid as originals. The parties agree that all such signatures may be transferred to a single document upon the request of any party. This Agreement shall not be binding unless and until it shall be fully executed and delivered by all parties hereto.

43. LEAD-BASED PAINT DISCLOSURE. Annexed hereto and incorporated herein as Schedule B, is the "Disclosure of Information on Lead-Based Paint and/or Lead Based Paint Hazards" required to be executed pursuant to the provisions of Federal regulation.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date below.

Date: _____
(To be inserted after execution by Sponsor)

SPONSOR:

STRATEGIC CHELSEA LLC

By: _____
Name:
Title:

PURCHASER:

_____

_____
(Social Security or Federal I.D. Number)
Telephone No. _____

_____

_____
(Social Security or Federal I.D. Number)
Telephone No. _____

SCHEDULE A
PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions and ordinances and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey of the Property would show, provided such state of facts would not make title to the Unit uninsurable, except as otherwise permitted herein.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans; as all of the same may be amended from time to time.

4. Consents by the Sponsor or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the Property may abut.

5. Any easement or right of use in favor of any utility company for construction, use, Maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations between record lines of the Property and retaining walls and the like, if any.

8. Leases and service, Maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

9. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that the Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

11. Any declaration or other instrument affecting the Property which the Sponsor deems necessary or appropriate to comply with any Law or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

12. Any encumbrance as to which Commonwealth Land Title Insurance Company (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit) would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (1) will not be collected out of the Unit if it is a lien or (2) will not be enforced against the Unit if it is not a lien.

13. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Residential Unit for residential purposes.

14. Any lease covering the Unit made from the Sponsor to the Purchaser.

15. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board or another Unit Owner to correct.

16. Any title exceptions noted in the Specimen Title Policy set forth in Part II of the Plan.

SCHEDULE B

Disclosure of Information on
Lead-Based Paint and/or Lead-Based Paint Hazards
SALES

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'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.

(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 and/or lead-based paint hazards in the housing *(list documents below*).

(ii) ☐ Seller has no reports pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (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):

(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 Acknowledgment (initial)

(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

Seller	Date	Seller	Date
Purchaser	Date	Purchaser	Date
Agent	Date	Agent	Date

EXHIBIT "2"

POWER OF ATTORNEY

POWER OF ATTORNEY

Terms used in this Power of Attorney which are used (a) in the declaration (the "Declaration") submitted by STRATEGIC Chelsea LLC ("Declarant") establishing a plan for condominium ownership of the premises known as Altair 20 and by the street number 15 West 20th Street, New York, New York 10011 under Article 9-B of the Real Property Law of the State of New York, dated _____, 20_, and recorded in the New York County Office of the Register of The City of New York on _____, 20_, in Reel _____, page _____, or (b) in the by-laws of Altair 20 (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, the owner of the Condominium Unit (the "Unit") in Altair 20 which is (are) designated and described as Residential Unit No. _____ in the Declaration and also designated as Tax Lot ____, in Block 822 of Section 3 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Residential Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Residential Unit Owners, to acquire or lease any Residential Unit, together with its Appurtenant Interests, from any Residential Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Residential Unit, together with its Appurtenant Interests, from any Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Residential Unit Owners, to acquire any Residential Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Residential Unit so acquired by them, or to sublease any Residential Unit so leased by them without the necessity of further authorization by the Residential Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) upon determination by the Condominium Board, to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Common Elements which the Condominium Board deems necessary or appropriate to comply with any ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance, demolition, construction, alteration, repair or restoration of the General Common Elements or the Residential Section as the case may be, (b) any consent, covenant, restriction,

easement or declaration, or any amendment thereto, affecting the Residential Section or General Common Elements which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned, do(es) hereby nominate, constitute and appoint the Declarant, true and lawful attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, to execute an amendment to the Declaration, By-Laws and the Rules and Regulations of the Condominium or any permits, applications or documents required to undertake, perform or complete work to the Unsold Units or Common Elements by Declarant or obtain an amended certificate of occupancy therefor, or any of said documents when such amendment (i) shall be required to reflect any changes in Unsold Residential Units, Commercial Unit and/or the reapportionment of the Common Interests of the aforesaid Units resulting therefrom made by Declarant in accordance with the Declaration or (ii) shall be required by an (x) Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material or physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by an Institutional Lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, 20_.

_____

(ACKNOWLEDGMENT)

EXHIBIT "3"

RESIDENTIAL UNIT DEED

RESIDENTIAL UNIT DEED

THIS INDENTURE, made the ____ day of _____, 20__, between Strategic Chelsea LLC, a Delaware limited liability company, having an office at 800 Third Avenue, New York, New York 10022 (the "Grantor") and _____ (the "Grantee"), having an address at _____.

WITNESSETH:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit (the "Unit") in the premises known as Altair 20 and by the street number 15 West 20th Street, Borough of Manhattan, City, County and State of New York, said Unit being designated and described as Residential Unit No. _____ in the declaration ("Declaration") establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "Condominium Act"), dated _____, 20__ and recorded in the New York County office of the Register of The City of New York (the "City Register's Office") on _____, in Reel _____, page ____, and also designated as Tax Lot(s) ____ in Block 822 of Section 3 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of said building, certified by _____, on _____, 20_, and filed in the Real Property Assessment Department of the City of New York on _____ as Condominium Plan No. _____ also filed in the City Register's Office on _____, 20_, as Condominium Map No. ____. The premises within which the Unit is (are) located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the by-laws of Altair 20. (Said by-laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws.")

Together with an undivided _____ percentage interest in the General Common Elements (as such term is defined in the Declaration):

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in (any of) the Unit, as though recited and stipulated at length herein.

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration regarding such invalidity shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Residential Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as aforesaid.

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 improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date below.

Date: _____
(To be inserted after execution by Sponsor)

STRATEGIC CHELSEA LLC
By: Intell Condos LLC

By: _____
Name:
Title:

_____
Grantee

_____
Grantee

(ACKNOWLEDGMENT)

EXHIBIT A

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 20th Street distant 302 feet westerly from the corner formed by the intersection of the westerly side of 5th Avenue and said northerly side of 20th Street;

RUNNING THENCE northerly parallel with 5th Avenue 92 feet to the center line of the block;

RUNNING THENCE westerly along said center line of the block and parallel with 20th Street 56 feet;

RUNNING THENCE southerly again parallel with 5th Avenue and part of the way through a party wall 92 feet to said northerly side of 20th Street;

RUNNING THENCE easterly along said northerly side of 20th Street 56 feet to the point or place of BEGINNING.

SCHEDULE B

PERMITTED ENCUMBRANCES

REFER TO PERMITTED ENCUMBRANCES SET FORTH AS SCHEDULE A TO AGREEMENT

TO BE INSERTED PRIOR TO CLOSING

EXHIBIT "4"

DESCRIPTION OF PROPERTY AND LOCAL LAW 11 REPORT

DESCRIPTION OF PROPERTY

15 West 20th Street
New York, New York

Architect:
Avinash K. Malhotra Architects
148 West 24 Street
New York, NY 10011

January 18, 2005

Revised April 27, 2005
Revised May 3, 2005
Revised May 12, 2005
Revised May 13, 2005
Revised May 24, 2005
Revised May 25, 2005
Revised May 26, 2005
Revised July 1, 2005
Revised July 26, 2005

INTRODUCTION

This report has been prepared as requested by the sponsor for the purpose of complying with the requirements of Department of Law of the State of New York. The preparer does not authorize the use of this report for any other purpose.

The report is prepared under the supervision of Avinash K. Malhotra, AIA. Observations were made of the building prior to its proposed conversion to residential use. The preparer has not been hired to do the construction supervision but shall visit the site from time to time to determine conformance with design documents. The sponsor has hired various other consultants including but not limited to those listed below, such as structural engineers, mechanical/plumbing/electrical/ fire protection engineers, and acoustical, code, and elevator consultants. Defects in the structure of the existing building and work of other consultants cannot be and are not the responsibility of the preparer of this report. All statements regarding the code compliance of the building express the professional opinion of the preparer and are subject to final determination by those in government having jurisdiction.

The building report is based on:

1) A visual inspection of the structure prior to its conversion from commercial to residential use. All existing ceilings, office partitions, floor finishes, plumbing, electrical and mechanical systems were or are being demolished and new systems shall be installed.
2) An examination of the contract documents of the proposed construction as prepared by this architect and various other consultants as hired by the sponsor.
3) Information provided by the sponsor and his representatives and consultants.

This report is intended to describe the building, its functions, systems and improvements on the property. It is by no means a comprehensive detailed list of every space and piece of equipment. The contents of this report are correct to the best of my knowledge and belief. Report is based upon information contained in the contract documents and information supplied by the sponsor and sponsor's contractor. No representation is made as to the conformance with the requirements of the contract documents. This report is not to be construed as a guarantee or warranty. It is not intended or prepared for the purpose of fixing a value to the property or as an opinion to the advisability or inadvisability to purchase the property being offered pursuant to the sponsor's offering plan.

All floor and apartment designations refer to the numbering as it appears on the construction documents, except where otherwise specifically noted as "Sales Floor" or "Sales identification".

Structural Engineer:
DeSimone Consulting Engineers
18 West 18th Street, 10th Floor
New York, NY 10011

Mechanical, Electrical, Plumbing & Fire Protection Engineer:
Athwall and Associates
171 Madison Avenue, Suite 308
New York, NY 10016

Elevator Consultant:
VDA
5 Regent Street, Suite 524
Livingston, NJ 07039-1617

Building Code/Zoning Consultant
Construction Consulting Associates
100 Church Street
New York, NY 10010

Local Law 11 Inspection (Exterior Facades)
Epstein Engineering. PC
157 East 86th Street
New York, NY 10028

Geotechnical Engineer
Big Apple Testing

A. Location and Use of Property:

1. Address:	15 West 20th Street New York, NY
2. Block and lot number:	Block 822, Lot 25
3. Zoning:	C6 – 4A
4. Permissible Use:	Use Groups
	Uses permitted as-of-right
Use Group 1 & 2:	Residential Uses
Use Group 3 & 4:	Community Facilities
Use Group 5:	Transient Accommodation
Use Group 6:	Retail, Office, Public, Services or Clubs
Use Group 7:	Home Maintenance or Repair Services
Use Group 8:	Amusement or Service Establishments
Use Group 9:	Business Services
Use Group 14:	Special Services and facility required for Boating and related Services.

B. Status of Construction:

1. Year built:	Existing building, approximately 1904
2. Class of construction:	Exiting building, Class I-D
3. Certificate of Occupancy, type and number:	No existing C of O; new C of O to be applied for by Sponsor at completion of construction. Prior to first condo unit closing, sponsor will obtain a TCO from the DOB. For those residences which are to be closed after the completion of construction, sponsor will apply for a permanent CO from the DOB.

4. Alteration permit numbers and description of work done:

Façade work: NYC DOB 103 799 445
NYC LPC CNE 04-5705

The façade work generally consists of new cornices, masonry repair, new windows, and new storefront and entrances

Main alteration: NYC DOB 103 629 174
NYC LPC COFA 04-5702

This generally consists of the change of use from commercial to residential use on all floors. Existing elevators and stairs are being removed, and a new core of fire stairs and a single elevator are being installed. A refuse chute is also being installed. New residential units are being created in the existing volume on floors two through nine, and a new two-story addition is being added to the top of the building. The existing roof deck is being replaced with a new structural system. The ground floor will remain commercial/retail and entrance lobby. New accessory spaces, mechanical, plumbing, fire protection and electrical systems to support these uses are being installed.

It should be noted that the special permit application pending at the Department of City Planning (affecting the 11th floor of the penthouse) has been approved by the same agency, and a letter documenting this is attached as an exhibit. Amended plans shall be filed with the Department of Buildings, and the Landmarks Preservation Commission as required for amendment to their existing approvals.

(Current status)

As of this writing, nonstructural interior demolition has been completed and new construction including selective structural demolition is partially complete. . New construction work has begun on the lower floors.

Where materials, appliances, equipment, fixtures

	and other construction and design details are specified in this report Sponsor has reserved the right to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially equal or better quality.
C. Site:	
1. Size:	56'-0" x 92'-0"
2. Number of buildings and use:	1 building, Use Group 2 – Residential, Use Group 6 – Retail
3. Streets owned or maintained by the project:	No streets owned by this project. 2 Street Trees proposed as required by the NYC Zoning Resolution. Sidewalk to be maintained as per city regulations.
4. Paving:	Concrete/sidewalk, new; over existing vault
5. Curbing:	New
6. Catch basins, drainage:	N/A
7. Street lighting:	Public street lighting on adjacent public street
8. State whether these items are in conformity with local fire district, town or municipal building codes:	Conforms
D. Utilities:	
1. Electrical:	Con Edison Electrical metered individually
2. Water:	NYC water main Water metered collectively
3. Gas	Con Edison Gas metered collectively
4. Sewer	NYC combined sanitary/storm sewer

5. Telephone/Cable TV	Local providers, separate accounts to be set up by each unit owner.
6. Heat	Gas Fired Hot Water Boilers (see section Y below)

E. Sub Soil Conditions:

1. Whether uneven foundation movement or settling has occurred (cracking, mortar joint decay, etc.).	Prior to commencement of demolition/construction, no significant or unusual settlement or foundation movement has been observed.
2. Whether there is any evidence of moisture or seepage or ground water infiltration and, if so, whether corrective action is needed.	Ground water at a depth of approximately 4 feet below cellar slab based on observation during probes for elevator pit. As a result, the bottom landing elevation of new elevator is ramped above the existing cellar level, a sump is provided at the elevator pit, and foundation waterproofing is specified at the elevator pit.
3. Whether there is any danger from flooding, either due to water table in area or over flow from other bodies of water. Note potential for mudslides or erosion and what preventative action is appropriate.	Not adjacent to bodies of water and mudslides are not applicable.
4. General (bearing capacity)	The structural engineer has stated, "Yes the bearing capacity is sufficient to support the building load". An exhibit shall be attached to this to elaborate on this. "

F. Landscaping and enclosures:

1. Grass Cover	None
2. Plantings:	None
3. Trees:	2 Street Trees proposed as required by the NYC Zoning Resolution

4. Fencing:	None
5. Gates:	None
6. Garden Walls:	None
7. Retaining Walls:	None
8. Display Pools and Fountains:	None

G. Building size:

1. Total height:	Approximately 134 feet to main roof, plus bulkheads
2. Crawl spaces:	None
3. Number of sub-cellars and cellars:	One cellar
4. Number of floors (actual including Penthouses):	Eleven plus bulkhead and one cellar.
5. Equipment rooms:	Cellar: Gas meter room, boiler room, electrical room, pump room, compactor room, locker room, cable and telephone room, elevator machine rooms in bulkhead and in cellar.
6. Parapet:	Existing masonry parapets at portions of building and glass and metal railings at addition.

H. Structural System:

1. Exterior of building:	Existing: brick and stone masonry. The front of the building has limestone and face brick, the exposed west wall and rear wall have common brick. The east wall is adjacent to an existing building (as is the lower portion of the west wall) and is not exposed to view. Existing perimeter walls are load-bearing masonry. Additionally, there exist interior cast iron columns with plaster protection. New columns and beams are steel and shall be protected with spray-applied fire-safing.

2. Floors:

Floors are steel framed with beams and girders. Spans between are infilled with concrete sections approximately 12" deep by 4" wide, spaced at 12" on center. Floor framing is overlaid with existing wood sleepers. The wood sleepers are being retained. The voids are filled with cinder concrete fill. Wood sleepers are prone to moisture absorption, which can result in buckling of the subfloor and/or the finish floor. This absorption can occur from water in the environment before and during construction, and from water specifically used when 'core-drilling' or wet cutting of openings. Typically, due to the construction sequence, this wood can not fully dry.

Inspection for pest infestation was not part of the architects or engineers scope.
New floor framing will be structural steel with lightweight concrete slab on metal deck. Metal decks will have 3-1/4" cover over the flutes to provide a two-hour fire rating.

3. Walls:

Existing Exterior: Existing Brick and stone masonry as noted above. The east and west walls of the existing structure appear to be solid load-bearing brick walls. Current condition of the exterior walls requires remedial work in the form of pointing and other masonry and possibly lintel replacement. As a part of the alterations and conversion to residential use, restoration shall be performed to repair the exterior facades. Additionally, new cornices will be added to approximately replicate the original elements. These are based on historic photos.
Metal shutters on the rear and side facades are landmarked elements to be retained.

Penthouse addition setback exterior walls are "stucco" (Portland cement plaster) over concrete masonry units.

The exterior facades are 100 years old will need periodic inspection and regular ongoing maintenance, and will need to be inspected

periodically as per NYC Local Law 11/1998.

The defective portions of the existing masonry walls including brickwork, stone masonry, lintels, parapets, copings, chimneys, etc. are proposed be repaired under the scope of work being done by the sponsor.

Specifically, this scope of work includes removal of existing coatings on the brick and stone masonry, cleaning the brickwork and stone masonry, replacement of spalled or otherwise damaged masonry units, repointing mortar joints and sealant replacement at stones. This shall include masonry parapets and the existing chimney enclosure. The metal shutters shall be removed, repaired, painted and reinstalled as required by the Landmarks approval. The existing window replacement is filed under this same façade work application. Lintels found to be defective at this time will be repaired or replaced.

New copings shall be installed.

Note there are no existing terraces, all rooftop areas are being replaced as a part of the alteration.

A current Local Law 11 report has been performed by (other) engineering consultants. This report shall be attached as an exhibit by the sponsor. Items identified as "unsafe" in that report, specifically the broken glass in skylights and windows, shall be repaired or replaced as a part of the sponsors planned work. All other "safe with repair and maintenance" items noted in that Local Law 11 report will be either be repaired or replaced by the sponsor as a part of the planned work, For example, the rusted window frames will not be repaired but instead replaced completely, deteriorated brickwork is being replaced, deteriorated coating material is being removed to accommodate new cornices, etc.

Any existing leaks through the exterior walls (note that no major leaks were observed prior to

demolition/construction) should be remedied by the proposed façade repair work.

The cellar floor and foundation areas were found to be in generally good condition with localized cracks for example, at the enclosure around column C1 in the cellar . This will shall be repaired as a part of the general construction work. See item no. 8 below. There are no existing terraces.

Interior partitions throughout the building are a combination of concrete masonry units and gypsum wallboard constructions.

All exterior walls are to receive thermal insulation within the furring. The approximate design R-value for this insulation is R-10.

4. Windows:

Existing windows are being removed and replaced with aluminum double hung windows.

New Penthouse windows are similar, except have casement operation.

There exist four "lot line" window openings in the west wall of the building on floors 7, 8 and 9 and a single double window on floors 2, 3, 4 and 5. New lot line windows are proposed at Floor 10 in the penthouse. These will be glazed with laminated safety glazing and protected by sprinklers. Note that as lot line windows, they can not be relied upon for legal light and ventilation, and may be blocked by construction on the adjacent lot in the future.
The occupiable rooms shown in the drawings (that is, living rooms, bedrooms only) do not rely on the lot line windows for required ventilation.

5. Landmark status:

Not an individually designated landmark, however all exterior alterations are subject to New York City Landmarks Preservation Commission review as this is within the Ladies Mile Historic District.

6. Parapets and copings:	Existing masonry parapets at portions of building and glass metal railing at addition.
7. Chimneys and caps:	Existing brick flue/chimney with new extended offset section and draft inducer (inline) to be serviced from the tenant recreation terrace near the flue termination. Also new fireplace flues terminate on setback terraces, both private and public.
8. General Structural	The structural engineer indicates, "The overall condition of structural system is in good condition." A letter from the engineer shall be attached as an exhibit.

I. Balconies and Terraces:

Note there one unit will have private terraces, the PH unit.
All units shall have access to the common recreation space terraces

1. Deck finish:	Concrete pavers or equal.
2. Balustrade	Glass and metal.
3. Railings:	Glass and metal.
4. Copings:	Precast concrete and metal.
5. Soffits:	None
6. Doors to balconies and terraces:	Hollow metal (steel) from public stairs to public roof. Aluminum and glass from PH apartment to private terraces.

J. Exterior entrances:

1. Exterior doors and frames:	Wood and metal. This is located at the ground floor at the east end of the building.
2. Vestibule doors and frames:	Metal and/or wood and glass.

3. Exterior stairs:	None
4. Railings:	None
5. Mail boxes:	Mailboxes located in elevator/lobby per postal service standards.
6. Lighting:	Exterior Light fixtures provided over the ground floor entrances.

K. Service entrances:

1. Doors and frames:	Similar to lobby; Metal and/or wood and glass. This entrance (for egress stair discharge) is located at the west end of the building on the ground floor.)
2. Gates:	None
3. Exterior stairs:	None
4. Railings:	None

L. Roof and roof structures:

1. Material:	All new protected membrane system, on new structural decks
2. Insulation:	4" Extruded polystyrene.
3. Surface finish:	Concrete pavers in common or unit owners' accessible areas. Stone ballast in others.
4. Bond or guarantee:	15 years
5. Flashing materials including counter flashing:	Metal cap flashing and membrane base flashing.
6. Tenant Recreation Roof	A portion of the roof, specifically the setback roof

at the 11th Floor level west of the penthouse, and a portion of the roof over the 11th floor penthouse, shall be designated "common recreation space" and is intended for access by all residential unit owners in the building. The walking surface shall be concrete pavers, or equal, and most of the railing metal and glass. Roof drains shall be located below the pavers system. This roof overlooks the private Penthouse terraces with line-of-sight continuity. Exterior lighting shall be provided. The lower of these two recreation roofs shall be accessible by the shuttle elevator (Car 2) from the 11th Floor landing. Note that passengers must transfer to this shuttle car at the 10th Floor from the main car. The upper recreation roof shall only be accessible through the stairway.

M. Drains:

1. Location, material and type: Roof, terraces – cast iron

2. Gutters and leaders: Cast iron

N. Skylights:

Aluminum framed skylights at rear of ground floor commercial space, and in cellar.
None in residential units.

O. Bulkheads:

1. Stairs: Portland cement stucco over masonry.

2. Elevator: Portland cement stucco over masonry.

P. Metal work at roof levels:

1. Exterior, metal stairs: None.

2. Vertical ladders, including gooseneck:	Metal
3. Railings:	Metal
4. Hatches to roof:	None.

Q. Rooftop Facilities:

1. Fire Escapes:	An existing fire escape at the rear of the building is being removed as a part of the major alteration. No fire escapes will remain; egress will be handled by the scissor stairs within the building.
2. Yard and Courts:	None at grade, the rear of the building above the first floor is approximately 10 from the property line and 20 feet from the building on the adjacent property. This area on the adjacent property contains exterior mechanical equipment.

R. Interior stairs:

1. Number of stairs of each type:	2 (scissor layout) fire stairs from upper floors to grade, and 2 from cellar to grade. The stairs from the upper floors are located in the center of the building. At the ground floor one terminates in the lobby, the other in the vestibule at the west end of the storefront. One stair from the cellar terminates at the vestibule at the west end of the storefront and one terminates in the lobby. 1 internal communicating stair in Penthouse unit between the 10th and 11th Floor
2. Enclosure:	Fire Stairs: Painted concrete masonry units and painted gypsum wallboard (varies by stair) Penthouse: gypsum wallboard and wood railing.
3. Stair construction:	Fire Stairs: Concrete fill over metal pan. Penthouse: Wood

4. Stringers:	Fire Stairs: Steel, painted. Penthouse: Wood
5. Treads:	Fire Stairs: Concrete Penthouse: Wood
6. Risers:	Fire Stairs: Steel painted. Penthouse: Wood
7. Guard rails:	Fire Stairs: Metal Penthouse: Wood
8. Balustrade:	Fire Stairs: Metal Penthouse: Wood

S. Interior doors and frames:

1. Unit entrance interior doors and frames:	Entrance doors (elevator and stairs): Painted hollow metal entrance doors, with metal frames. Interior of unit doors: Painted MDF interior doors.
2. Corridor doors and frames:	Painted hollow metal, with metal frames
3. Stair hall doors and frames	Painted hollow metal, with metal frames
4. Roof doors, basement doors and frames:	Painted hollow metal, with metal frames

T. Elevators:

1. Number of passenger and service elevators:	Car 1: 1 passenger and service combined. Car 2: 1 passenger shuttle (10th floor to 11th Floor only). Note only one elevator serves each apartment floor. Both car installations are new.
2. Manufacturer, age of each and capacity:	Car 1: new, assembled by Nouveau Elevator, 3500 lb. (15 passengers) Car 2: new, assembled by Nouveau Elevator, 1400 lb. (5 passengers)

3. Type of controls:	Automatic
4. Floors served:	Car no. 1: Cellar, Ground floor, Floors 2nd thru' 10th (two entrances at floors 2 thru 10 only. Cellar and ground only have one entrance.). Car no. 2: (Shuttle) Floors 10th to 11th public roof terrace only.
5. Type:	Car 1: Basement geared traction elevator, 200fpm. Car 2: Limited use limited access, hydraulic type.
6. Doors:	Primary sliding car and landing doors, and secondary hinged doors on apartment entrances.
7. Location of machine rooms:	Car 1: Elevator machine room in cellar. Also shaft service access from corridor to common recreation roof. Car 2: Elevator machine room at roof.
8. DC Motor:	None.

U. Elevator Cabs:

1. Kind:	Custom designed and fabricated
2. Floor:	Stone tile
3. Walls:	Stone, wood or metal panels
4. Ceiling:	Wood or metal panels
5. Lighting:	Recessed down lights
6. Alarm, safety system:	As required by code

V. Auxiliary facilities:

1. Laundry rooms – Location and number of rooms:	No common laundry facilities. Washer/Dryers in each unit.
2. Clothes washers, number and type:	One in each unit: Miele W1119

3. Clothes dryers:	One in each unit: Miele T1329 (Electric). This dryer is not ventilated to the exterior.
4. Room Ventilation:	Not applicable to individual utility rooms. The room is not ventilated
5. Dryer Ventilation:	The dryers are not mechanically ventilated.
6. Storage cubicles for use of unit owners in Cellar.	Each unit shall be assigned a lockable storage unit in the cellar of the building. These will be semi-enclosed with steel wire mesh partitions and doors. The area for each shall be approximately 25 to 29 square feet.
7. Fireplaces within some units:	Unit "E" and "W" on floors 7, 8 and 9 (only) shall have a gas-burning prefabricated fireplace. These units shall vent thru a stack assembly at a point located above the Penthouse terrace. The penthouse shall have a wood-burning fireplace which shall vent a point above the 11th floor common recreation area terrace. The operation of these fireplaces shall require an electrically operated dedicated draft inducer (fan) in order to vent the units. Each fireplace shall have a dedicated flue and fresh air intake which shall pass through the dwelling units above.

W. Refuse disposal:

1. Incinerator(s):	None
2. Compactor(s):	1, Refuse/Compactor Room in Cellar. Proposed model: Van Packer 45 or equal.
3. Approvals by authority having jurisdiction (date of each approval) :	NYC Department of Buildings approvals; refer item B.4.
4. Initial storage location (ultimate storage location):	General Chute from each apartment floor (two through ten) discharges to the cellar. Note: Recyclable items must be separated by occupants and not disposed of in the common chute as per city regulations. Building

	maintenance staff shall remove refuse from cellar refuse room to the street, where it shall await municipal pickup. The fire stairs cannot be used for storage of materials of any kind. Commercial tenant(s) shall handle and store their own refuse.
5. Pick-up schedule, and whether public or private:	NYC (public) Department of Sanitation pickup of residential refuse and recyclables. Commercial refuse to be arranged by commercial tenant(s) in accordance with city requirements.

X. Plumbing and drainage/**Fire Protection**:

1. Water supply:	3" Water Supply
2. Fire Protection System:	6" Fire Service/Fire Pump Combined fire standpipe and sprinkler system with sprinklers throughout the building.
3. Water Storage Tank and Enclosures:	None
4. Water pressure	(Varies) Booster Pump Max .80 PSI Min 20 PSI. Booster pump: SICO Model 2300 with (2) 5 HP pumps In this system, water pressure is contingent upon the electrical service. Water pressure will be adequate to satisfy the peak hour demand for the building.
5. Sanitary sewage system:	8" Sewer to street Sewer
6. Sewage disposal:	Public
7. Storm drainage system:	Multiple risers to a storm trap and connects downstream of House Trap.
8. Sewage piping:	Cast iron piping, no hub above grade, bell and hub below grade.
9. Material for Distribution Water Piping:	Copper.

10. Combined Standpipe/Sprinkler System:	The building will be served by a 6" fire service and fire pump connected to a combined standpipe/sprinkler riser. The building will be fully sprinklered as per NYC code. Sprinkler heads in the residential units shall be either the concealed type or sidewall type. Siamese connection shall be located in front of the building.

Y. Heating:

1. Number of boilers and description:	(6) Modular Gas-fired hot water boilers
2. Manufacturer and age of boiler(s):	Slant/Fin (new) Model No. GGHT-2400E or equal
3. Manufacturer and age of burners:	Slant/Fin (new) or equal
4. Type of Controls.	Tekmar or equal
5. Radiators, piping, insulation, valves, pumps:	Hot water perimeter radiation in residential units
6. Fuel:	Gas
7. Location of oil tank, materials, enclosure:	None
8. Capacity of oil tank:	None
9. Adequacy:	The heating system is designed to maintain 72°F indoor temperature in residential portions of the building when the outdoor temperature is 15°F.
10. Commercial unit	Four hot water space heaters Make and Model: Trane: 90-S Four (4) hot water unit heaters at 40,000 BTUH each.
11. Common Areas	In the cellar and ground floor lobby, inline electric heating coils in the HVAC ductwork. At the 10th Floor, individual electric heating units.

Lobby A/C: Ceiling suspended fan coil unit: International Environmental: CHY-12: (heating capacity: 31,398 BTUH) i n addition, there is an entrance wall electric heater: Trane UHWAO51A2AT . Capacity: 5,000 KW I

Fitness Area: Make and Model: International Environmental: MPY 12 total heating capacity: 89,900 BTUH.

Z. Gas supply:

1. Type: Natural Gas

2. Meters: Three: one combined for residential units, one for the commercial unit, one for "house" use.

3. Piping: Black Steel

AA. Air Conditioning:

1. Type of system: Chilled Water Fan Coil Units. Multiple units serving multiple spaces in each dwelling unit.

The commercial unit shall provide its own HVAC distribution equipment and connect to the common chiller for heat removal.

2. Chiller: Air Cooled Chiller McQuay: AGZ130B or equal located on the roof. This is common to the residential units and the commercial unit. The total capacity of the chiller modules shall be 125 tons.

3. Ventilation: Bathrooms exhaust: Central exhaust system designed for 70 CFM per bath. Fans located on roof.

Kitchen exhaust: Mechanical ventilation

	not required as kitchen is open to living room and natural ventilation; however 230 CFM designed to be exhausted through the hoods. Design of riser assumes 75% diversity. Fans located on roof. The refuse closet on each floor is designed to exhaust 50 CFM of air. Fan located on roof. Home Occupation spaces: Conditioned outdoor air is supplied to these spaces. Design is for 70 CFM. Unit located on roof. Also, master baths on floors 2 through 9 have been designed to receive 50 CFM of conditioned outdoor air.
4.Adequacy of Cooling System:	The air conditioning system is designed to maintain 78°F indoor temperature in residential portions of the building when the outdoor temperature is 89°F dry-bulb and 73°F wet-bulb.
5. Fan Coil Unit Type A: (Residential units)	Air Supply:860, Fan Speed: Medium, Total Cooling Capacity 21,314 BTUH, Chilled Water 4.3 Gpm, Total Heating Capacity: 44,937 BTUH, Hot Water: 4.3gpm, Dimensions: 29 3/8"X24", Model: MPY10
6. Fan Coil Unit B: (Residential units)	Air Supply: 880, Fan Speed: Medium, Total Cooling Capacity 21,490 BTUH, Chilled Water 4.3 Gpm, Total Heating Capacity: 44,998 BTUH, Hot Water: 4.3gpm, Dimensions: 29 3/8"X24", Model: MPY12
7. Common Areas (Air conditioning):	Fitness area and Lobby are served by independent HVAC Systems. Lobby A/C: Ceiling suspended fan coil unit: International Environmental: CHY-12:

	cooling capacity: 17,194 BTUH Fitness Area: Make and Model: International Environmental: MPY 12 total A/C capacity: 3.6 Tons

BB. Electrical Service:

1. Service from main service switchgear:	3000 Amp, 208 V, 3 Phase, 4 wire (Located in Main Electrical Room at Cellar Level)
2. Service to individual residential units:	Typically on floors 2 through 9: 150 Amp, 208V, 1 Phase each unit Penthouse: :200Amp 3 Phase, 4 wire
3. Compartment switch gear:	800 A/600 A/200 A
4. Service to Commercial Unit	800 A

CC: Electrical Distribution:

1. Unit Service	Refer to item BB above.
2. Lighting and fixtures:	Switched lighting fixtures are provided in all rooms in the apartment
3. Convenience outlets, appliance outlets:	Convenience receptacles are located in all rooms in the apartment. Ground Fault interrupter receptacles are located in baths. The electrical system is designed to handle the load of modern appliances for all units.
4. Intercommunication and/or door signal systems, security closed circuit. TV:	A video intercom system with cameras at the lobby and video monitors door release controls in the apartment units.
5. Public area lighting:	In general, fluorescent and/or compact

	fluorescent fixtures in stairs and utility areas, additionally incandescent in lobby areas. Adequate lighting is provided to satisfy the code requirements.
6. Metering:	Each apartment is individually metered and unit owner shall be billed by Con Edison. Meters to be located in cellar.
7. Panelboards	
Typical Apartment:	150 Amps.120/208V,1 Phase, 3 Wire
Penthouse Apartment:	225 Amps.120/208V,3 Phase, 4 Wire
8. Commercial Unit	800 Amps (separate metering)

DD. Garages and parking areas: None

EE *(Deleted)*

FF. Recreation Facilities:

Rooftop: rooftop common recreation facilities will be provided on the roof over the 10th floor (accessible by shuttle elevator after transferring from the main elevator) and the roof over the 11th (accessible via stair only).
Cellar: Indoor common recreation.
A room in the cellar is provided for fitness equipment, and gatherings. A physical fitness area will be equipped with cardiovascular exercise equipment:

(1) Tro-Pro 220V Cybex Treadmill
(1) Cybex Upper/Lower Body Arc
(1) Cybex 530R Sigma Bike-Recumbent
(1) Cyb-AFD 5437 Flat/Incline/Decline Bench
(3) Airex Mats
(1) Cybex Flat to Incline Bench
(1) Set Rubber Coated Dumbbells 5-50 lbs
(1) Twin Tier D. B. Rack

A two-fixture restroom is located adjacent to this fitness room.

The area of the fitness center is approximately 985 square feet.

GG: Safety and warning devices:

Hardwired combination smoke and carbon monoxide detectors in apartments are provided as per code.

An electromagnetic locking system on all fire stair doors shall be provided to release upon an alarm condition activated by any smoke detector or sprinkler alarm. Note that unit owners must keep these fire stair doors free from additional locks preventing egress and/or re-entry on all floors as required by code.

A sprinkler and smoke detection alarm system will be provided in the building.

HH. Permits and Certificates:

Refer to item B.4 above for NYC Department of Buildings Alteration numbers and Landmark Preservation Commission approval numbers. .

NYC DOB required Controlled Inspections will be performed by licensed professional engineers for required systems. The architect has not been retained to perform these inspections.

The following inspection certificates will be provided or by the sponsors and/or their contractor before closing: Air Resources; Elevator Inspection; Sprinkler System; Boiler Inspection
Note there is no oil storage proposed.

II. Violations:

According to the sponsor's expeditor, there are six open violations:
V1675-82B - Boiler violation issued in 1982.
V91978ESD14 - electric sign violation issued in 1978
V082676ES6D6S - electric sign violation issued in 1976
V050887LL1081SS01233 - LL10/81 elevator violation for not filing a mandated inspection report for elevators in 1986.
V100187LL16NRF01081 - LL16 report not filed and violation issued in 1987
V012105LL629101786 - LL6291 boiler violation for not filing a boiler inspection report for 2004.

At the completion of construction, a new certificate of occupancy will be obtained by the Sponsor. As such, at that time any violations shall be cleared.

JJ. Units Information:

TYPES:

2 Bedroom + Home Occupation space **

Living/Dining Room/ Open Kitchen Foyer/Corridor/ Master Bedroom Second Bedroom HO Space** Master Bath 2nd bath (in BR no 2) 3rd bath Laundry/Utility closet	One Unit "E" and One unit "W" on each floor 2nd through 9th

** The "Home Occupation space is an enclosed windowless but mechanically ventilated room. It is not intended for sleeping purposes, but for a limited set of Zoning Resolution approved home office uses.

Penthouse (Three Bedroom)

Living Room/Dining Area/ Open Kitchen Toilet (Powder Room) Laundry/Utility closet Master Bedroom Suite including Master bath Bedroom 2 with Bath 2 Bedroom 3 with bath 2 3 Private terraces.	One unit Duplex unit 10th and 11th Floors.

KK. Floor to ceiling heights of units:

Floor 2	Approximately 11'-0" Some areas 8'-6"
Floors 3 through 8	Approximately 10'-0" Some areas 8-6"
Floor 9	Approximately 10'-0" Some areas 8-6"

Penthouse Floor 10	Approximately 10'-0" Some areas 8'-6" Laundry Room has lower headroom, approx 7'-6"
Penthouse Floor 11	Approximately 10'-0" Some area 8'-6"

LL. FIXTURE AND APPLIANCES

ITEM:	DESCRIPTION:	UNITS:
Kitchen Sink	Kohler	1 per unit
Kitchen Faucet - Pot Filler	Dornbracht-Tara w/ Single Cross Handles 30.151.890	1 per unit
Water Closets	Toto MS884114	1 per bath
Vanity Lavatories	Kohler Master Bathroom K-2214 Powder K-2214-G Bath 2 Kathryn	1 per bath, except 2 in master baths
Baths	Bain Ultra (air tubs at Master Baths, soakers at others)	
Shower	Field-built with Dornbracht controls Master Bathroom Dornbracht-Tara-Mount Rainhead 28.568.970 Powder Dornbracht-Tara-Mount Rainhead 28.568.970 Bath 2 Dornbracht-Tara Classic 28.506.970	
Refrigerator	Sub Zero, Model 736TC	1 per unit
Oven	Miele H4780BP (Electric)	1 per unit
Cook top	Miele Gas Cook top – KM342G (5-burner)	1 per unit
Hood	Faber Agio 36" Vent	1 per unit
Coffee Maker	Miele CVA615S Coffee System	1 per unit
Washer/Dryer	Miele W1119/T1329 (Electric)	1 per unit
Wine Cooler	Sub Zero 424G/S	1 per unit
Microwave	KitchenAid KTA-KCMS1555RSS	1 per unit
Dishwasher	Miele G858SCVI	1 per unit
Sink Disposal	Insinkerator, Model 17	1 per unit
Built-in television	Sony WEGA 19" Flat Panel TV KLV-S19A10	1 per unit

Where materials, appliances, equipment, fixtures and other construction and design details are specified in this report Sponsor has reserved the right to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially equal or better quality.

MM. Finish Schedule

LEVEL	LOCATION	FLOOR	BASE	WALLS	CEILING	REMARKS
Typical Units	Living/Dining	Hardwood	Wood, painted	GWB, painted	GWB, painted	
	Kitchen	Hardwood	Wood, painted	GWB, painted	GWB, painted	
	HO	Hardwood	Wood, painted	GWB, painted	Underside of slab painted	
	Master Bedroom	Hardwood	Wood, painted	GWB, painted	Underside of slab painted	
	Bedroom	Hardwood	Wood, painted	GWB, painted	Underside of slab painted	
	Master baths	Stone Tile	Stone tile	Stone Tile & GWB	GWB, painted	
	Bath no. 2	Stone Tile	Stone Tile	Stone Tile & GWB	GWB, painted	
	Bath no. 3	Stone Tile	Ceramic Tile	Ceramic Tile & GWB	GWB, painted	
	Utility Room (Laundry)	Ceramic Tile	Ceramic Tile	GWB, painted	GWB, painted	
Ground Floor	Commercial space	Unfinished	Unfinished	Unfinished	Unfinished	
	Residential Lobby	Stone	Wood, painted	GWB, painted	GWB, painted	
Cellar	Fitness Room	Resilient Flooring	Wood, painted	GWB, painted	Acoustic Ceiling Tile	
	Toilets (Fitness Rm /Supers Off.)	Ceramic Tile	Ceramic Tile	GWB, painted	Acoustic Ceiling Tile	
	Building Office	VCT	Resilient base	GWB, painted	Acoustic Ceiling Tile	
	Service Rooms	Concrete, painted	Masonry, painted	CMU, painted	Underside of slab painted	

Hardwood floors are solid wood over plywood subflooring

NN. Additional Information

1. Floor plans are attached as an exhibit.
2. Approximate Total Area of each unit:

   Each Unit will be measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from the measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, the elevator and other mechanical equipment spaces or any Common Elements (as hereinafter defined); or to the Unit side of the opposite exterior walls. Each Unit will consist of the area measured vertically from the lowest concrete floor of the Unit to the underside of the highest ceiling of the Unit.

Avinash K. Malhotra, Architects

By:_____

Avinash K. Malhotra, Principal



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DEPARTMENT OF CITY PLANNING
CITY OF NEW YORK

TECHNICAL REVIEW DIVISION

Amanda M. Burden, AICP, *Director*
Department of City Planning

June 10, 2005

Laura V. Osorio, R.A.
Borough Commissioner/Superintendent
Department of Buildings
280 Broadway, 3rd Floor
New York, N. Y. 10007

Re: Applic. No. C 050031 ZSM
15 West 20th Street.
Block 822, Lot 25
Ladies' Mile Historic District
C6-4 District
Community District 5
Borough of Manhattan

Dear Commissioner Osorio:

Please be advised that the application (C 050031 ZSM) submitted by Strategic Chelsea LLC for a special permit pursuant to Section 74-711 of the Zoning Resolution to modify the rear yard setback requirements of Section 23-663 (Required rear setbacks for tall buildings in other districts), in connection with a proposed two-story enlargement of an existing nine-story building at the above referenced location was approved by the City Planning Commission on April 27, 2005 (Cal. No. 19).

The City Council did not assume jurisdiction of this application (C 050031 ZSM). Therefore, the approval of the City Planning Commission is final. The Resolution of Approval became effective on May 23, 2005.

Sotireos Voyages, R.A., *Director*
Irene Sadko, P.E., *Deputy Director/Chief Engineer*
22 Reade Street, New York, N.Y. 10007-1216 Room 3N (212)720-3226
FAX (212)720-3244
nyc.gov/planning

Laura V. Osorio, R. A. June 10, 2005

THIS SPECIAL PERMIT (C 050031 ZSM) HAS BEEN APPROVED SOLELY PURSUANT TO SECTION 74-711 OF THE ZONING RESOLUTION AND IS SUBJECT TO VERIFICATION BY THE DEPARTMENT OF BUILDINGS FOR COMPLIANCE WITH ALL OTHER APPLICABLE PROVISIONS OF THE ZONING RESOLUTION.

Enclosed for your information are the following:

1. a copy of application C 050031 ZSM;

2. a copy of the City Planning Commission report, dated April 27, 2005;

3. a copy of the Restrictive Declaration, dated April 8, 2005, executed by Strategic Chelsea LLC, and recorded in the County of New York, Office of the City Register on April 12, 2005; and

4. the following drawings prepared by Philip Habib & Associates:

Dwg No.	Title	Last Date Revision
CP-1B	Plot Plan, Zoning Data	November 19, 2004
CP-3	10th & 11th Floor Addition Ground Level	October 15, 2004

Sincerely,

Voyager

Sotireos Voyages

c: L. Parnes
K. Ramnarine
A. Smith
G. Friedman
P. Sperling
Applicant
file

BIG APPLE TESTING,INC.

151-18 6TH Road, Whitestone, N.Y 11357
Tel.(718) 767-2900 Fax (718) 767-5610

October 13, 2004

Extell Development
800 Third Avenue
New York, NY 10022
Att: Lido Gori

RE: 15 W 20th Street
New York, NY

Dear Mr. Gori:

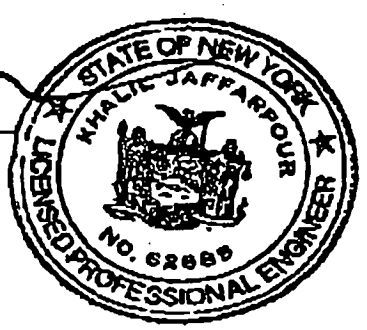
On September 15, 2004 I have visited the above referenced project and inspected soil capacity, for the structure of proposed renovation.

During my field observation I found that there was no settlement or failure at the footings.

Based on the field observation and sample testing the proposed renovation load will not exceed bearing capacity of the soil at the site.

If there is any question, please do not hesitate to call.

Khalil Jaffarpour, Ph.D., P.E
President



T T I ENGINEERING P. C.

POST OFFICE BOX 721 BROOKLYN, NEW YORK 11211
800-819-7788

June 29, 2005

Strategic Chelsea LLC.
c/o Lido Gori
800 3rd Ave.
New York, NY 10022

RE: 15 West 20th Street New York, NY 10022

To Whom It May Concern,

Upon your request, I visited the above referenced property on June 20th 2005, to inspect the above mentioned building for wood destroying insects.

This report is indicative of the condition of the subject structure(s) on the date of the inspection only and is not to be construed as an express or implied warranty or guarantee against latent, concealed, or future infestation or defects.

Based on a careful visual inspection of the readily accessible areas of the structure(s) inspected, there was no visible evidence from wood destroying insects on any of the upper levels.

In my professional opinion, treatment is not required at this time. The property should be kept dry, and wooden member shall not be in contact with the ground, to prevent any future activity.

My inspection was limited to the items mentioned herein, and was not intended to identify any other deficiencies within the rest of the structural or mechanical systems. Should you have any questions please do not hesitate to call me at 800-819-7788.

Sincerely,

William P. Daley,
Senior Inspector

DESIMONE
NEW YORK
MIAMI
SAN FRANCISCO

July 13, 2005

Strategic Chelsea LLC
800 3rd Avenue
4th Floor
New York, NY 10022

Attn: Mr. Lido Gori

Re: Existing Structural Conditions Report
15W 20th Street
New York, NY 10011

Mr. Gori,

As requested, please note our response to Attorney general's memo#2 structural question:

Visual observations of readily accessible areas indicate the structure is in sound condition. This includes:

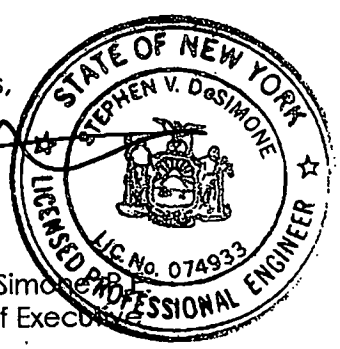
Existing cast-iron columns, existing steel beams & girders, perimeter masonry bearing walls.

Existing floor framing consists of concrete beams spaced at 12" on center. Based on the Building's original use as a commercial/industrial building, the change to residential occupancy requires a much lower live load capacity (from 100 psf reduced to 40 psf). Calculations of existing beams & column sizes confirm the high load capacity of the building.

New structural components such as new core framing and new Penthouse levels, are to be constructed of structural steel framing and lightweight concrete slab on metal deck that conform to NYC building code requirements.

If you have any questions regarding this matter, please do not hesitate to call.

Very Truly Yours,



Stephen V. DeSimone, P.E.
President/Chief Executive
Svd/amo

TITLE NO. 0160-NY050028 HB

ABSTRACTERS' INFORMATION SERVICE, INC.
138-72 QUEENS BOULEVARD BRIARWOOD, N.Y. 11435
(718) 291-5900 (516) 742-2290 (914) 761-4451 FAX (718) 291-6681

VIOLATION SEARCH

DATE: 01/06/05

PREMISES: 13/15 WEST 20 STREET

COUNTY: MANHATTAN

The Findings of this search is limited to violation posted against the address(es) shown above and may not include violations posted against other addresses or against a Block and Lot.

BUILDING DEPT.: A Search of the Building Department Records indicate the following violations. copies and/or an abstract of the violations, if any, are attached.

SEE ATTACHED FOR PENDING VIOLATIONS AS PER SEARCH DATED:01/05/05

OFFICE OF RENT AND HOUSING MAINTENANCE: A Search of the Housing Department Records indicate the following violations. Copies and/or an abstract of the violations,if any, are attached.

NO VIOLATIONS AS PER SEARCH DATED:01/05/05

CLASSIFICATION:

___ PRIVATE DWELLING

___ MULTIPLE DWELLING-NO. OF APTS._____

CLASSIFIED AS _____

___ COMMERCIAL PROPERTY

_X_ NOT A MULTIPLE DWELLING

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

ABSTRACTERS INFORMATION SERVICE INC. DOES HEREBY CERTIFY THAT THE RECORDS OF THE ABOVE GOVERNMENTAL AGENCIES WERE EXAMINED AND THAT THE INFORMATION RECORDED ABOVE IS A TRUE AND ACCURATE ABSTRACTION OF THE INFORMATION CONTAINED THEREIN. THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY. LIABILITY IS LIMITED TO ERRORS AND OMISSIONS OF INFORMATION PROPERLY INDEXED, FILED AND RECORDED WITH THE ABOVE GOVERNMENTAL AGENCIES AND SHALL NOT EXCEED A TOTAL OF $1000.00 DOLLARS. NON-COMPLIANCE OF LOCAL LAW 10/81 WHICH INVOLVES PERIODIC ELEVATOR INSPECTIONS PERFORMED BY PRIVATE FIRMS EMPLOYED BY THE OWNER OR HIS AGENT, ARE NOT INCLUDED IN THE ABOVE SEARCH. THIS SEARCH DOES NOT INCLUDE OTHER AGENCIES VIOLATIONS. THIS SEARCH IS PREPARED EXCLUSIVELY FOR COMMONWEALTH LAND TITLE on 01/06/05. 0160-NY050028

SAMPLE COPY

NYC DEPARTMENT OF BUILDINGS
LOCAL LAW 16/84 UNIT
60 HUDSON STREET, 14th FLOOR
N.Y.C., N.Y. 10013

FIRST CLASS MAIL
U.S. POSTAGE PAID
NEW YORK, N.Y.
PERMIT # 2597

YOU ARE HEREBY NOTIFIED THAT THERE EXISTS A VIOLATION IN THE SUBJECT PREMISES AS DESCRIBED BELOW. YOU ARE HEREBY DIRECTED TO REMOVE THIS VIOLATION, PURSUANT TO SECTION 26-115 AND/OR SECTION 26-125 OF THE ADMINISTRATIVE CODE:

LOCATION: 13|15 West 20St BOROUGH: M
BLOCK: LOT: VIOLATION NO: 10080 LL16NRF0108/
SECTION VIOLATED: 27-220.5 OF THE ADMIN. CODE
DECRIPTION OF VIOLATION: FAILURE TO FILE WITH THE DEPARTMENT OF BUILDINGS A REPORT OF COMPLIANCE WITH LOCAL LAW 16 OF 1984 ON OR BEFORE APRIL 1, 1987.

TO AVIOD CRIMINAL COURT SUMMONS AND FURTHER LATE FILING FEES, IMMEDIATELY FILE A REPORT OF COMPLIANCE WITH LOCAL LAW 16 OF 1984 DELIVER THE REPORT, IN DUPLICATE, TO THE LOCAL LAW 16/84 SUPERVISOR, NYC DEPARTMENT OF BUILDINGS, 60 HUDSON STREET-14th FLOOR, NEW YORK, N.Y. 10013 FOR FURTHER INFORMATION CONTACT THE LOCAL LAW 16 OF 1984 CORDINATOR AT (212) 312-8408, 9 OR 10.

****BRIBERY IS A CRIME PUNISHABLE BY IMPRISONMENT AND/OR FINE****

CHARLES M. SMITH, JR. R.A.
COMMISSIONER

NOTICE OF VIOLATION

SUB-ARTICLE 124.0 FIRE PROTECTION PLAN

§ C26-124.1 Applicability.—This sub-article shall apply to the following buildings and building sections:

(a) High Rise buildings or building sections exceeding 75 ft. in height.

(b) Buildings or building sections classified in occupancy group A, B, C, D, E or G which are 2 or more stories in height with over 20,000 gross sq. ft. per floor or are 2 or more stories in height with a total building floor area exceeding 50,000 gross sq. ft.

(c) Any building containing an assembly use having an occupant load of 300 or more persons.

(d) Buildings or building sections classified in occupancy group H or J-1 which are 2 or more stories in height and contain sleeping accommodations for 30 or more persons.

(e) Buildings or building sections classified in occupancy group J-2 which contain 30 or more dwelling units and over 10,000 gross sq. ft. of floor area used for mercantile, assembly, educational or institutional purposes.

(f) Alterations to a building or building section listed in subdivisions (a) through (e), if the cost of the alterations, computed in accordance with section C26-103.5, exceeds one million dollars or involves a change of use.

§ C26-124.2 Scope.—

(a) The plan shall include the following information, where applicable:

(1) Building description: address; block and lot numbers; number of stories; height in feet; occupancy group; construction classification; occupancy load and department of buildings application number.

(2) Key plans showing all floors, exits, corridors, partitions serving as fire separations or fire divisions, locations and ratings of required enclosures, stairs with pressurization, roof access, exit discharges, locations of frontage space.

(3) Descriptions in narrative form of safety systems and features, including:

a. Communications systems
b. Alarm systems
c. Smoke detection equipment
d. Location of fire command station
e. Elevator recall
f. Emergency lighting and power
g. Standpipes
h. Sprinklers
i. Compartmentation
j. Mechanical ventilation and air conditioning
k. Smoke control systems and equipment
l. Furnishings types and materials
m. Places of assembly
n. Fire department access
o. Other systems, required and voluntary, to be installed

(4) Proof that the fire safety plan, if required, has been filed with the fire department and accepted by that department.

§ C26-124.3 General Requirements.—A fire protection plan, as defined in article two shall be filed with the department by a registered architect or licensed professional engineer whose seal and signature shall be on the plan.

§ C26-124.4 Retroactivity.—The requirements of this sub-article shall apply to all alterations to, and construction of, buildings listed in section C26-124.1 in progress and not yet completed on the effective date of this sub-article.

SUB-ARTICLE 125.0
SPECIAL FILING REQUIREMENTS

§ C26-125.1 General Requirements.—Owners of all existing buildings which are required to comply with the provisions of sections C26-504.16(a) (elevator vestibules), C26-605.1 and C26-605.2(b) (exit lighting), C26-606.2(b) (exit signs), C26-609.3 (signs in sleeping rooms), C26-1300.9 (ventilation in J-1 buildings), C26-1700.7 (b) (sprinklers, fire alarm systems, fire command and communication systems), C26-1800.8(c) (2) (elevators in readiness), C26-1801.4 (locks on hoistway doors) and C26-1801.5 (firemen's service) shall file with the department a report on or before April 1, 1987 certifying to the installation of the required fire protection systems in accordance with approved plans and appropriate permits prior to such date. Owners of all existing buildings not already subject to the requirements of sub-article 608.0 as of January 13, 1973 shall file with the department a report on or before October 1, 1985 certifying to the installation of stair and elevator signs meeting the requirements of sub-article C26-608.0 prior to such date. Such reports shall be on such forms and in such manner as prescribed by the commissioner. Failure to file such report by such dates shall be a violation of this section, which shall be punishable pursuant to section 643a-11.0 of this code.

City of New York
Department of Buildings

Search of Outstanding Violations - Local Law #10/81

Copies of existing Local Law #10/81 violations are not available. These Violations are computer generated and have the same text as the following sample.

Violation: 0508811 1081550233

NYC DEPARTMENT OF BUILDINGS
LOCAL LAW 10/81 UNIT
60 HUDSON STREET, 14th FLOOR
N.Y.C., N.Y. 10013

SECTIONS 27-998 AND 27-1000 OF THE NYC ADMINISTRATION CODE HAVE BEEN VIOLATED.
CONDITION REPORTED: A REVIEW OF THE REORDS OF THE ELEVATOR DIVISION OF THE DEPARTMENT OF BUILDINGS INDICATES THAT THE FOLLOWING HAS NOT BEEN PERFORMED FOR THE PREMISES AT:
1: THE (1) REQUIRED PERIODIC INSPECTION PER DEVICE BY THE OWNER TO BE PERFORMED BETWEEN JAN 1 AND SEPT 15, HAS NOT BEEN PERFORMED FOR DEVICES.
2: YOU HAVE FAILED TO FILE THE REQUIRED INSPECTION REPORT FOR DEVICES REQUIRED BY SECTION 27-1000.
REMEDY: PAY OUTSTANDING CIVIL PENALTIES PURSUANT TO SECTION 26-125 AND FILE A CURRENT INSPECTION REPORT AS REQUIRED BY SECTION 27-1000.
NOTE: ALL INQUIRIES OF REFERENCE TO THIS VIOLATION SHOULD BE ADDRESSED IN WRITING ONLY TO THE LOCAL LAW 10/81 UNIT.

*****BRIBERY IS A CRIME PUNISHABLE BY IMPRISONMENT AND/OR FINE*****

VIOLATION NO. SS ISSUED TO OWNER/AUTHORIZED AGENT BELOW.
BLDG ACCT NO
FINE ACCT NO
CHARLES M. SMITH, JR. R.A., COMMISSIONER
NOTICE OF VIOLATION

*** THE ABOVE VIOLATIONS MAY RESULT INA PENALTY OF $1035.00 PER ELEVATOR, PER YEAR FOR EACH YEAR IN NON COMPLIANCE.

ABSTRACTERS' INFORMATION SERVICE, INC.

138-72 QUEENS BOULEVARD BRIARWOOD NY. 11435

(718) 291-5900 (516)742-2290 (914) 761-4451 FAX (718) 291-6681

TITLE #: _____

PREMISES: 13/15 West 20 Street

BOROUGH: Manhattan

DEAR SIR,

THE FOLLOWING VIOLATION(S) HAVE BEEN INDEXED AGAINST THE ABOVE PREMISES. HOWEVER, WE ARE UNABLE TO OBTAIN A COPY OF THE SAID VIOLATION(S) SINCE THE RECORDS ARE MISSING FROM THE DEPARTMENT OF BUILDINGS FILES.

VIOLATION(S):

- V 1675/88B
- V 919078ESD14
- V 0881076ESLMS
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

Ved Jan 5 14:22:46 EST 2005

ABSTRACTERS' INFORMATION SERVICE, INC

138-72 QUEENS BOULEVARD BRIARWOOD, N.Y. 11435

(718) 291-5900 (516) 761-4451 FAX (718) 291-6681

ACTIONS

MANHATTAN BIN: 1015494 Block: 822 Lot: 25

NUMBER	TYPE	FILE DATE
UB 2586-00*	UNSAFE BUILDING	00/00/1900
UB 391-05*	UNSAFE BUILDING	00/00/1905
UB 1345-13*	UNSAFE BUILDING	00/00/1913
UB 1648-13*	UNSAFE BUILDING	00/00/1913
UB 782-13*	UNSAFE BUILDING	00/00/1913
UB 1928-14*	UNSAFE BUILDING	00/00/1914
UB 393-18*	UNSAFE BUILDING	00/00/1918
V 1675-82B	DOB VIOLATION - ACTIVE	00/00/0000
V 91978ESD14	DOB VIOLATION - ACTIVE	00/00/0000
V 082676ES6D6S	DOB VIOLATION - ACTIVE	00/00/1976

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ABSTRACTERS' INFORMATION SERVICE, INC

138-72 QUEENS BOULEVARD BRIARWOOD, N.Y. 11435

(718) 291-5900 (516) 761-4451 FAX (718) 291-6681

ACTIONS

Premises: 13 WEST 20 STREET MANHATTAN BIN: 1015494 Block: 822 Lot: 25

NUMBER	TYPE	FILE DATE
V 050887LL1081SS01233	DOB VIOLATION - ACTIVE	00/00/1987
V 100187LL16NRF01081	DOB VIOLATION - ACTIVE	00/00/1987
V* 121379E1319B3	DOB VIOLATION DISMISSED	12/13/1979
DISMISSAL DATE: 07/26/1984	**AGENCY LICENSE:**	**BADGE NO.:**
V* 060981CCDZ03	DOB VIOLATION DISMISSED	00/00/1981
DISMISSAL DATE:	**AGENCY LICENSE:**	**BADGE NO.:**
V* 7-2-82-E-1448-2-1	DOB VIOLATION DISMISSED	00/00/1982
DISMISSAL DATE:	**AGENCY LICENSE:**	**BADGE NO.:**
V* 070282E144821	DOB VIOLATION DISMISSED	07/02/1982
DISMISSAL DATE: 04/17/1985	**AGENCY LICENSE:**	**BADGE NO.:**
V* 111583E139643	DOB VIOLATION DISMISSED	11/15/1983
DISMISSAL DATE: 11/13/1984	**AGENCY LICENSE:**	**BADGE NO.:**
V* 062784E139642	DOB VIOLATION DISMISSED	06/27/1984
DISMISSAL DATE: 10/04/1984	**AGENCY LICENSE:**	**BADGE NO.:**
V* 122684E147353	DOB VIOLATION DISMISSED	12/26/1984
DISMISSAL DATE: 02/19/1985	**AGENCY LICENSE:**	**BADGE NO.:**
V* 052385E147352	DOB VIOLATION DISMISSED	05/23/1985
DISMISSAL DATE: 04/22/1986	**AGENCY LICENSE:**	**BADGE NO.:**

Next

[redacted]TLE NO. 0160-NY050028 ER

ABSTRACTERS' INFORMATION SERVICE, INC.
138-72 QUEENS BOULEVARD BRIARWOOD, N.Y. 11435
(718) 291-5900 (516) 742-2290 (914) 761-4451 FAX (718) 291-6681

EMERGENCY REPAIRS

Company: COMMONWEALTH LAND TITLE **Date:** 01/07/05

Premises: 13/15 WEST 20 STREET

County: MANHATTAN

A search of the Department of Rent and Housing Maintenance (Emergency Repair Building Summary lien record identifying balances for work done prior to January 1,2000) shows the following money due.

Lien Book Date: SEPT 04
Amount: 0.00

The result of a search for work-in-progress posted subsequent to January 1, 2000, shows the following:

[X] There were no open purchase orders found at the above-captioned premises as of the date of this search.

[ ] See attached for information found for the above-captioned premises at HPD/Emergency Repair Division.

Cert.Date or Date of P.O.	P.O. #	Description

Liability is limited to liens that have matured into dollar amounts and are properly posted at the Department of Finance as of **Date of Search 01/05/05** 0160-NY050028

TLE NO. 0160-NY050028 F0

ABSTRACTERS' INFORMATION SERVICE, INC.

138-72 QUEENS BOULEVARD BRIARWOOD, N.Y. 11435
(718) 291-5900 (516) 742-2290 (914) 761-4451 FAX (718) 291-6681

FIRE DEPARTMENT * CITY OF NEW YORK

BUREAU OF REVENUE MANAGEMENT

9 Metro Tech East
Brooklyn, N.Y. 11201-3857

RECORD SEARCH REQUEST

MAIL TO:

ABSTRACTERS' INFORMATION SERVICE, INC.
138-72 QUEENS BOULEVARD
BRIARWOOD, N.Y. 11435

CHECKED BY:

SEARCH NO. _____

The undersigned requests the following information re: Premises

13/15 WEST 20 STREET MANHATTAN

ADDRESS BOROUGH

[ ] 1. Record of existing Fire Department Violations _____ FEE: $10.00

[X] 2. Record of Permit for fuel _____ FEE: $10.00

TOTAL FEE: $10.00

(THE CITY OF NEW YORK IS NOT BEING SUED, NOR IS THERE ANY INTENTION TO SUE THE CITY OF NEW YORK)

ABSTRACTERS' INFORMATION SERVICE, INC.

DATE 01/05/05

DO NOT WRITE BELOW THIS LINE

Gentlemen:

In reply to your request concerning the premises mentioned above, please be advised that as of 9 A.M., JUN 1 6 2004 our records show the following:

ACCOUNT #.....: 9233775b
BALANCE DUE...: $40.00
PERMIT EXPIRE.: May 2004
SIZE OF TANK..: 2,600 Gal
DIST. OFF.....: 01
NO RECORD FOUND ON FILE.....: _____

Searched By: _____

VIOLATION RECORDED ABOVE ARE ONLY THOSE WHICH ARE A MATTER OF RECORD IN HEADQUARTERS OF THE BUREAU OF FIRE PREVENTION, AND MAY NOT INCLUDE VIOLATIONS ISSUED BY LOCAL UNITS. THIS REPORT IS SUBMITTED FOR INFORMATIONAL PURPOSES ONLY. THERE IS NO LIABILITY ASSUMED.
THIS SEARCH IS PREPARED EXCLUSIVELY FOR COMMONWEALTH LAND TITLE ON 01/05/05.0160-NY050028

RECEIVED
For official use only
JUN 17 2005
DEPT. OF BLDGS.
LOCAL LAW ENFORCEMENT UNIT

NYC BUILDINGS

TECHNICAL REPORT (TR-6)

Periodic Inspection of Exterior Walls and Appurtenances

February 21, 2005 - February 21, 2007

Cycle 6

1. Filing Information - Answer all questions, File 3 copies with one (1) microfilm

☑ Initial Filing - Indicate last cycle filing date: 03/19/1999 ☐ Subsequent filing - Indicate Initial filing date: _____

☐ Amended Filing - Indicate Initial unsafe filing date: _____

2. Location

Borough Manhattan	**Block** 822	**Lot(s)** 25	**BIN** 1015494
House No(s). 13	**Street Name** West 20th Street		**Zip** 10011
A.K.A address(es)			**Community Board No.** 105

3. Inspection Report Status – Refer to Definitions of Conditions in Rules 1 RCNY § 32-03(a)

Current Cycle	Prior Cycle
☐ Safe ☐ Safe with a Repair and Maintenance Program (SWARMP) ☑ Unsafe	☑ Safe ☐ SWARMP ☐ Unsafe

4. Building Characteristics

Number of Stories: 9 Landmark Building: Yes: ☑ No: ☐ Landmark District: Yes: ☑ No: ☐

Exterior Wall Type: Brick and Stone

5. Professional

Last Name Epstein	First Name Alan		M.I. S.
Business Name Epstein Engineering, P.C.			
Business Phone (212) 722-8485	E-Mail Address LL1198@aol.com		
Address 157 East 86th Street	City New York	State NY	ZIP 10028
☑ P.E ☐ R.A	NYS License No. 058291		

6. Owner of Record (Not a Representative or Building Manager)

Last Name Barnett	First Name Gary		M.I.
Business Name Strategic Chelsea LLC			
Business Phone (212) 712-6104	E-Mail Address		
Address 800 Third Avenue	City New York	State NY	ZIP 10022

7. Statements and Signatures

Falsification of any statement is a misdemeanor under Section 26-124 of the Administrative Code and punishable by a fine or imprisonment, or both. It is unlawful to give to a City employee, or for a City employee to accept, any benefit, monetary or otherwise, either as a gratuity for properly performing the job or in exchange for special consideration. All Violations are punishable by imprisonment or fine or both.

Professional's name (print):

Alan S. Epstein

P.E. /R.A. NYS seal

I hereby state that the owner has authorized me to submit his report. 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 ★ ALAN S. EPSTEIN ★ LICENSED PROFESSIONAL ENGINEER No. 058291

Professional's Signature 5/25/05 Date

Owner / Owner representative's name (print below):

(A) I hereby state that I am the owner/owner's representative of the premises referenced in the attached report. Furthermore, I have received and read a copy of the attached report and I am aware of the required repairs and/or maintenance, if any and the recommended time frame for the same.

(B) I certify that all items noted as SWARMP conditions in the Cycle 5 Report have been corrected/repaired; or this report must be rated as "Unsafe" as per RCNY 32-03 (b) (3) (ii) (Q), if applicable.

If not the owner - Relationship to owner, Address & Phone No.

Mr. Lido Gori Extell Development (Project Manager)

800 Third Ave NY, NY 10022 (212) 712-6104

Signature 6-7-05 Date

See TR-6 Instructions on Reverse side

6th Cycle Local Law 11 Façade Inspection
15 West 20th Street, New York, NY

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CRITICAL EXAMINATION OF EXTERIOR APPURTENANCES PURSUANT TO LOCAL LAW 11 OF THE ADMINISTRATIVE CODE OF THE CITY OF NEW YORK: PERFORMED: May 13, 23, and 25, 2005.

I. PROPERTY INFORMATION:

1. Address of inspection: 15 West 20th Street
New York, New York

2. Location from nearest cross street: Located on the North side of West 20th Street, approximately 120 feet West of Fifth Avenue.

3. Block Number: 822

4. Lot Number: 25

5. Bin Number: 1015494

6. Name of Owner: Strategic Chelsea LLC

7. Address of Owner: c/o Extell Development
800 Third Avenue
New York, NY 10022

8. Agent or person in charge: Mr. Lido Gori

II. SUMMARY OF FINDINGS & RECOMMENDATION:

During the inspection all of the building facades were visually inspected. The current report notes some unsafe conditions, which must be corrected immediately. The current report also notes new conditions deemed safe with a repair and maintenance program, which should be corrected within 3 years. This building has been categorized as "Unsafe".

III. METHODS USED TO CONDUCT INSPECTION:

9. Professional who headed the inspection team: Alan Epstein, P.E.

10. Name, address, and telephone number of rigger:
Plaza Building Services, Inc.
334 Scholes Street
Brooklyn, New York 11206
(718) 417-7100

11. Procedure of Inspection:

a) Visual: The inspection consisted of a thorough visual examination of the exterior façades and appurtenances aided by the use of binoculars and a camera equipped with a telephoto lens. In addition, entry was made onto the roof and into the building interior to further examine parapet and related conditions and window conditions. These inspection techniques combined to provide a good view of the façade, masonry, window conditions, and exterior appurtenances.

b) Telescopic: Binoculars were used at all sighting locations.

c) Photography: Photographs were taken with a 35mm camera equipped with a telephoto lens.

d) Plot Plan: A plot plan was prepared during the examination to show the location of observed conditions.

e) Interview: Conducted with building management to obtain information pertinent to the façade examination.

f) Scaffold Inspection: A physical examination was performed from a suspended scaffold along a path from grade to the top of the exterior wall on a street front in order to inspect a representative sample of the exterior façade. This scaffold inspection was performed along the exterior façade at plot plan locations: 3-4

IV. DETAILED DESCRIPTION OF THE INSPECTED BUILDING:

12. Number of stories: 9

13. Height of building: Approximately 90 ft

14. Plan dimensions: Approximately 55 ft X 100 ft

15. Certificate of Occupancy: N/A

16. Landmark Status: This is a Landmark building.

17. Age: Approximately 80 years

18. Usage: Vacant, under renovation.

19. Exterior Wall Construction: Brick and stone

20. Exterior appurtenances:

Parapet:	Brick, portions coated.
Copings:	Observed atop parapet.
Decorative stone:	Observed along the South façade.
Decorative ledge:	Observed at the 2nd and 3rd floors along the South façade.
Windows:	Metal
Metal Shutters:	Observed attached to the windows and doors along the North and West façades.
Sills:	Observed.
Fire escape:	Attached to the North façade.
Roof:	Typical roof appurtenances including a chimney, bulkhead, drains, and skylights were observed atop the roof.
Air conditioning:	No air conditioning units were observed.

V. REPORT OF FINDINGS:

21. History of exterior revisions and repairs:

Exterior repairwork has been performed in the past at this building. The brickwork has been replaced/ repointed at various locations throughout the building. Several decorative stones have been repaired/ patched. Cornices have been removed from above the 7th and 9th floors along the South façade and have been replaced with masonry patches.

22. Report of all unsafe conditions

Unsafe Conditions

	Plot Plan Location	Floor	Permits
a) Broken window panes were observed at the following locations:			A permit is required to repair the conditions noted in item 22a.
(skylights)	A, B 18	Roof 4	

The above noted unsafe conditions must be corrected immediately.

Please refer to item 26 of this report, which advises and stipulates whether the above noted conditions will require that a Permit be obtained by the Contractor in order to repair them.

All unsafe conditions must be corrected immediately. **Sidewalk bridging must be installed/ maintained in accordance with all applicable**

codes at all locations having unsafe conditions unless such areas can be completely locked off. Requirements of sidewalk bridge laws, rules, regulations etc. must be complied with.

23. The following conditions were noted as requiring repair. They do not represent unsafe conditions, but rather new conditions, which need to be corrected as part of a repair and maintenance program:

New Safe With a Repair and Maintenance Program Conditions

	Plot Plan Location	Floor	Permits
a) Cracked/ spalled/ deteriorated brickwork was observed at the following locations:	1	8	A Department of Buildings permit is required to repair the conditions noted in item 23a.
	3/4	4/5	
(along interior parapet wall)	5, 6	Roof	
	6/7	8	
(along interior parapet wall)	7	Roof	
	17	5	
	18	Above 4, 5	
	19	5, 6	
	20	7, 9	
b) Rusted/ deteriorated metal shutters were observed throughout the North and West façades. Typical of this condition, but not an exhaustive list, are the following locations:	13-15	2	A Department of Buildings permit is not required to repair the conditions noted in item 23b.
	15	5, 6	
	17	2, 3, 5	
	17	7, 8, 9	
	18	1, 3, 5	
	18	6, 7, 8, 9	
	20	8, 9	
c) Cracked/ spalled/ deteriorated stucco/ masonry coating was observed at the following locations:			A Department of Buildings permit is required to repair the conditions noted in item 23c if it is necessary to remove and replace more than 10 SF of masonry in any 100 SF wall area and associated lintel replacement.
(out of aligned masonry coating)	1-9	7/8	
(along exterior parapet wall)	2-3, 3/4	Above 9	
(out of aligned masonry coating)	3/4	7	

	Plot Plan Location	Floor	Permits
d) Cracked/ deteriorated decorative stone was observed at the following locations:			A Department of Buildings permit is required to repair the conditions noted in item 23d.
(at window head)	1	8	
	3	3	
	3/4	2	
e) Open/ deteriorated joints were observed between decorative stones at the window heads of the following locations:			A Department of Buildings permit is not required to repair the conditions noted in item 23e.
	1	3-6	
	2	6	
	3	4, 5, 6	
	5, 6	5	
	9	3-6	
f) Mortar joint deterioration was observed at the following locations:			A Department of Buildings permit is not required to repair the conditions noted in item 23f.
	2	6/7	
(along interior parapet wall)	24	Roof	
g) Deteriorated coating material was observed at the following locations:			A Department of Buildings permit is not required to repair the conditions noted in item 23g.
(along fascia/ underside of decorative ledge)	1-9	3	
	3	7	
(at window heads)	3-6	7	
	8	1/2	
	9	1	
h) Cracked/ deteriorated window sills were observed at the following locations:			A Department of Buildings permit is not required to repair the conditions noted in item 23h.
	3, 4	8	
	17	4	
	18	8	
i) Rusted/ deteriorated window frames were observed at the following locations:			A Department of Buildings permit is not required to repair the conditions noted in item 23i.
	19	4, 5, 6	

	Plot Plan Location	Floor	Permits
j) Loosened/ deteriorated steps along fire escape were observed at the following locations: (deteriorated metal at landing of fire escape)	17-18 17 17/18	1-2 4 4, 8	A Department of Buildings permit is not required to repair the conditions noted in item 23j.
k) Deteriorated material was observed atop a ledge at the following locations: (rusted metal along façade)	1-9 1/2	2 3	A Department of Buildings permit is not required to repair the conditions noted in item 23k.
l) A deteriorated metal structure was observed atop the roof at:	10	Roof	A Department of Buildings permit is required to repair the condition noted in item 23l.

The above noted additional conditions in need of a repair and maintenance program should be corrected within 3 years.

Please refer to item 26 of this report, which advises and stipulates whether the above noted conditions will require that a Permit be obtained by the Contractor in order to repair them.

No leaks were reported by the management and none were apparent during the inspection.

24. Causes of the conditions observed:

These conditions have been caused by the prolonged effects of winter weather conditions including freeze – thaw patterns. Rusted metal is the result of contact with moisture.

25. Recommended time frame to repair the conditions observed:

The unsafe conditions must be addressed immediately and repairwork should be completed by January, 2006. The repairwork for the conditions deemed safe with a repair and maintenance program should commence as of August, 2005 and be completed by August, 2008.

26. Permits:

The Department of Buildings has promulgated filing requirements for certain Building Façade restoration work. The following conditions will require a permit to repair:

1. Replacement of a quantity of cracked brickwork greater than 10 SF in any 100 SF of wall area and associated lintel replacement.

2. Repair / replacement of decorative stones.

3. Removal and replacement of steel structural steel.

The failure to obtain the proper permits, where required, will likely result in substantial fines, violations, ECB and other court appearances for performing work without such permits. Further, if repairs are performed without a work permit relative to conditions which require that they not be repaired unless there is a work permit, the New York City Department of Buildings will not accept any signoffs, etc. which stipulate that the needed repairs have been performed. Accordingly, under such circumstances our office cannot file a signoff, etc. Violations, fines, etc. will be issued under such circumstances. It is therefore considered to be imperative that conditions, which must not be repaired unless a work permit is obtained for their repair, not be repaired without such a permit.

To obtain a work permit, Plans need to be prepared by a Licensed Professional Engineer and filed with the Department of Buildings with the required applications and approved by that agency. Approvals, permits, etc., must also be obtained from The Landmarks Preservation Commission. Having a Contractor work without a permit is a violation of the New York City Building Code.

27. Status of exterior maintenance:

This building is generally being maintained in fair condition. As indicated in item 21 of this report, exterior repairwork has been performed in the past although additional repairs are needed within the times stipulated in item 25 of this report.

28. Comparison with previous examinations:

Requests were made of the client for the previously filed 5th Cycle Local Law 11 report but the client did not provide one. The previously filed 5th Cycle Local Law 11 report was not located during a search of records at the NYC Department of Buildings. The NYC Department of Building BIS System indicated the building's façade status was 'Safe'. The current

report notes some unsafe conditions, which must be corrected immediately. The current report also notes conditions deemed safe with a repair and maintenance program, which should be corrected within 3 years. During the inspection all of the building facades were visually inspected.

VI. RECOMMENDATIONS AND INSPECTION NOTES:

29. Recommendations for repairs and maintenance:

Conditions in need of corrective measures are indicated in items 22 and 23 of this report and general recommendations appear on the following page. The unsafe conditions noted in item 22 must be corrected immediately. **Sidewalk bridging must be installed/ maintained in accordance with all applicable codes at all locations having unsafe conditions unless such areas can be completely locked off.** It is essential that the Owner act without delay in addressing the unsafe conditions, which have been documented in this report. Failure to do so could place the public in jeopardy. Unsafe conditions are a serious matter and should be appropriately addressed and not ignored. The new conditions noted in item 23 as safe with a repair and maintenance program should be corrected within 3 years. Pursuant to Local Law 11 all of the additional conditions noted in the current Local Law 11 Report as needing a repair and maintenance program, which are not repaired prior to the preparation of the final 7th Cycle Report, will have to be noted as unsafe conditions in that report. Exterior masonry, decorative materials and appurtenances should be inspected periodically, closely monitored and repaired as necessary. Detailed records of such actions should be maintained by the owner. It would also be prudent to retain the services of a Licensed Professional Engineer relative to these activities. In addition, as this inspection was visual in nature and as no such observations could be made relative to concealed materials (ties, structural steel or concrete back-up masonry, waterproofing, etc.) we cannot make any statements nor offer any opinions relative to the presence or condition of such materials. Probes would need to be cut to evaluate such materials. **As this is an Inspection Report only, it should not be used to have Contractors perform repairwork. Plans and Specifications should be prepared by a Licensed Professional Engineer to obtain bids from Contractors to perform the repairwork. Failure to follow this recommendation may result in work being performed and which is of poor quality and which does not meet nor satisfy requirements and provisions of applicable codes. Contractors should never be retained to prepare Plans and Specifications for exterior repairwork. Where required by the code, the plans should be filed with the New York City Department of Buildings to enable the Contractor to obtain a work permit upon those plans being approved.**

As noted in this report, this was a visual inspection. As such, no information could be obtained relative to the presence or absence of or condition of wall ties, back-up masonry, concealed steel or concrete, etc. It would be necessary to cut a series of probes to attempt to access such items. Without proceeding in this manner we cannot make any statements nor offer any opinions relative to the presence or condition of such materials. In addition it should be noted that a study of internal spaces was not performed.

An overall exterior repair program should be implemented as soon a possible. The services of Licensed Professional Engineer should be utilized to develop plans and specifications for the exterior repairwork so that competitive bids can then be obtained from qualified contractors and all required permits can be obtained.

General Recommendations:

It is recommended that the building facade and appurtenances be inspected regularly by a licensed Professional Engineer to monitor building conditions so that they do not progress to unsafe condition status. These conditions, including such items as awnings, signs, window glass, etc., should also be monitored regularly by building maintenance personnel to minimize potential problems. Particular attention should be devoted to areas where deterioration has already occurred. As described in this report, these conditions should be corrected as soon as possible. Parapet walls should be inspected as applicable on a yearly basis. The owner or property manager should also advise the window washers, and other contractors working on the building, to inform him of deterioration or other problems observed during the course of his work. The management should be certain that all window guards required by law are properly installed, maintained and secured. Window screens should also be monitored. All building components should conform to building code.

The owner or property manager should be certain that no loose items or objects (such as potted plants) are placed on sills, ledges, fire escapes or other areas where they could fall. He should also be certain that all such areas are kept free of debris. Similarly, the building owner or manager must be sure that window air conditioning units are properly installed, maintained and supported at all times. All window air conditioning units should be equipped with proper support brackets. It is recommended that the Building tenants/ Occupants be advised that window mounted air conditioners be installed so that the sash over them can be opened without affecting the supports of the unit. In conjunction with this, tenants should also be advised that supporting window units with loose wood or masonry sections is not permissible. The building manager should continually examine the premises and monitor conditions of this nature and require the removal or correction of potentially unsafe severe items of this kind. It is advisable to require window air conditioning units be installed by competent professionals in accordance with the manufacturers recommendations and good safety practices. Building management should be certain that unsafe conditions do not result from items of this nature (potted plants on ledges, window air conditioners etc.). Items of this nature are frequently installed on a temporary basis and cannot be the responsibility of the engineer.

The conditions noted in this report represent only the conditions, which were observed on the specific date(s) of the inspection. Buildings deteriorate with the passage of time and we are expressly advising readers of this report of these factors. Those considering purchasing Co-op Units, Condominium Units or Buildings should retain an engineer to advise them of the condition of the premises at the time they are making the purchase. As noted above, this report renders an opinion relative to the building facade condition only as of the dates the inspection was performed. It is noted that buildings of this nature and their appurtenances will change and undergo deterioration with the passage of time. As such, the

previously made recommendation in this report of periodic reinspection of the building facade is an important one.
It is recommended that the owner and property manager keep records of all exterior building repairs and of all problems related to the building exterior. These records should be made available to the Engineer providing services relative to exterior facade conditions. A copy of this report should be kept with the owner for future use. It is recommended that a yearly inspection/maintenance program be instituted to promptly repair any newly developed unsafe conditions.

Inspection Notes

The sole purpose of this report is to provide a critical examination of the building exterior as defined by Local Law 11 of the Administration Code of New York. The undersigned engineer has been retained solely to perform the critical examination and file a written report of the examination and has been retained for no other purpose. An opinion relative to the causes of the condition observed has been provided. The engineer, however, has not been retained to perform an in depth study of the causes of the conditions noted in the report nor has he been retained to prepare construction or repair specifications to file plans with the Department of Buildings, to file follow-up reports, to supervise, monitor or observe any repairs or to provide any other services. 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 owner is advised to have follow-up inspection reports filed after repairwork is performed. There should be no assumptions made by anyone that any of the conditions observed during the inspection will not change at any time thereafter.

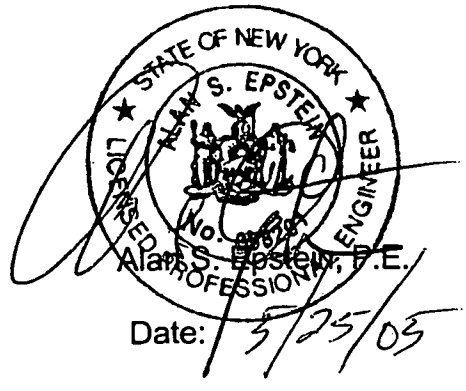
The engineer assumes no responsibility for the adequacy of the design or construction of the original building; nor for the adequacy of installations, alterations, maintenance or repairwork either performed in the past, present or future by contractors or maintenance personnel; nor for any construction details which are not visible. Nothing in this report should be construed as indicating a warranty of any nature by the engineer relative to any of these items, or relative to any part of the building. The engineer's liability for any claimed error, omission, wrongful conduct, or professional negligence will be limited to an amount equal to the engineer's fee. Under no circumstances may this liability be extended beyond the engineer's fee. The engineer also assumes no responsibility for the condition or safety of glass items. In particular, nothing shall be interpreted from this report as indicating that the engineer has offered an opinion regarding the adequacy of the building's construction or appurtenances or their suitability or availability to furnish support for scaffolds, washing equipment or other devices. No such opinions have been offered. By signing the Technical Report coversheet (TR-6) form for the filing of this report with the Department of Buildings the Owner shall be bound by all of the terms, provisions, and language of this report.

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. In addition, the accuracy of items such as building owner, principal officer, date of construction, usage, etc. cannot be guaranteed by the engineer. As described in the report, this inspection was a visual inspection utilizing methods and techniques approved for Local Law 11 inspections. Scaffold or platform inspection was employed at 1 drop location in accordance with the requirements of Local Law 11/98. Should this inspection report cover any portions of the building not required to be inspected pursuant to Local Law 11, the information is furnished to the owner for his/her use. As noted elsewhere in this report, this report is not to be used for

any purpose other than to comply with the inspection and filing requirements required by Local Law 11. If this report appears as part of a Co-op or Condominium conversion plan or is incorporated into any other documents, reports, etc. it should at no time be relied upon as providing information relative to the current condition of the exterior façade and appurtenances of this building. No one should rely on this report to decide whether or not to purchase a Co-op or Condominium unit or a building. The conditions noted in this report represent only the conditions, which were observed on the specific date(s) of the inspection. Buildings deteriorate with the passage of time and we are expressly advising readers of this report of these factors. Those considering purchasing Co-op Units, Condominium Units or Buildings should retain an engineer to advise them of the condition of the premises at the time they are making the purchase. As noted above, this report renders an opinion relative to the building façade condition only as of the dates the inspection was performed. It is noted that buildings of this nature and their appurtenances will change and undergo deterioration with the passage of time. As such, the previously made recommendation in this report of periodic reinspection of the building façade is an important one. The engineer offers no warranties or guarantees for the future condition of the building.

A copy of this report has been provided to the owner prior to filing with the Department of Buildings. In signing the TR-6 form, which was furnished to the owner along with this report, the owner has confirmed that he/she had read the report and is in agreement with its content and is aware of the required repairs and/or maintenance and the recommended time frame for same. A copy of this report should be kept with the owner for future use. This Local Law 11 inspection was performed by and under the supervision of the undersigned.

VII. PROFESSIONAL SEAL AND SIGNATURE WITH DATE:



Alan S. Epstein, P.E.

Date: 5/25/05

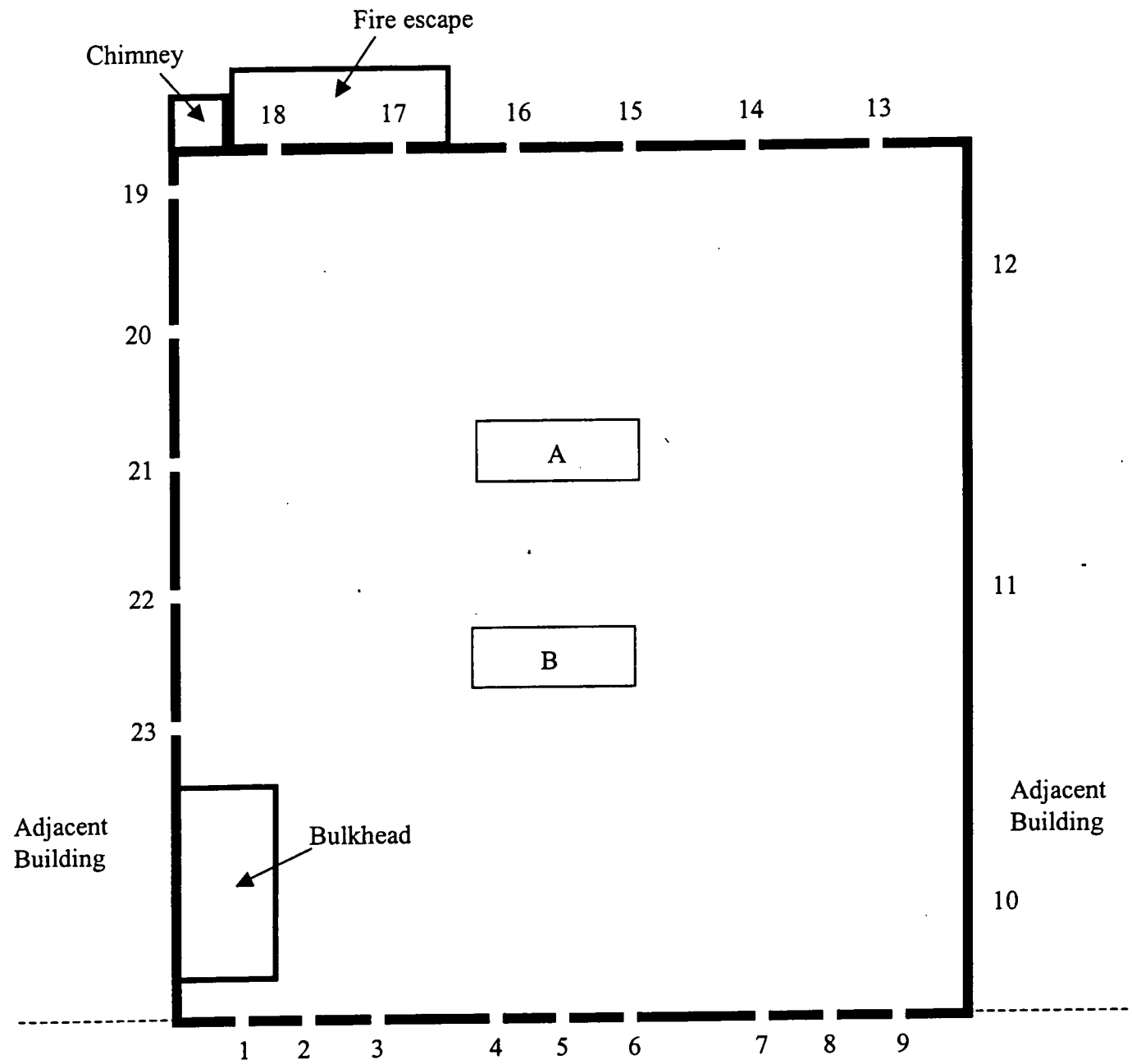
6th Cycle Local Law 11 Façade Inspection
15 West 20th Street, New York, NY

VIII. Appendices

ECB Violation Summary

Upon a search of the New York City Department of Building BIS System there were no open Local Law 11 or Façade ECB violations related to this property at this time.

15 West 20th Street



West 20th Street

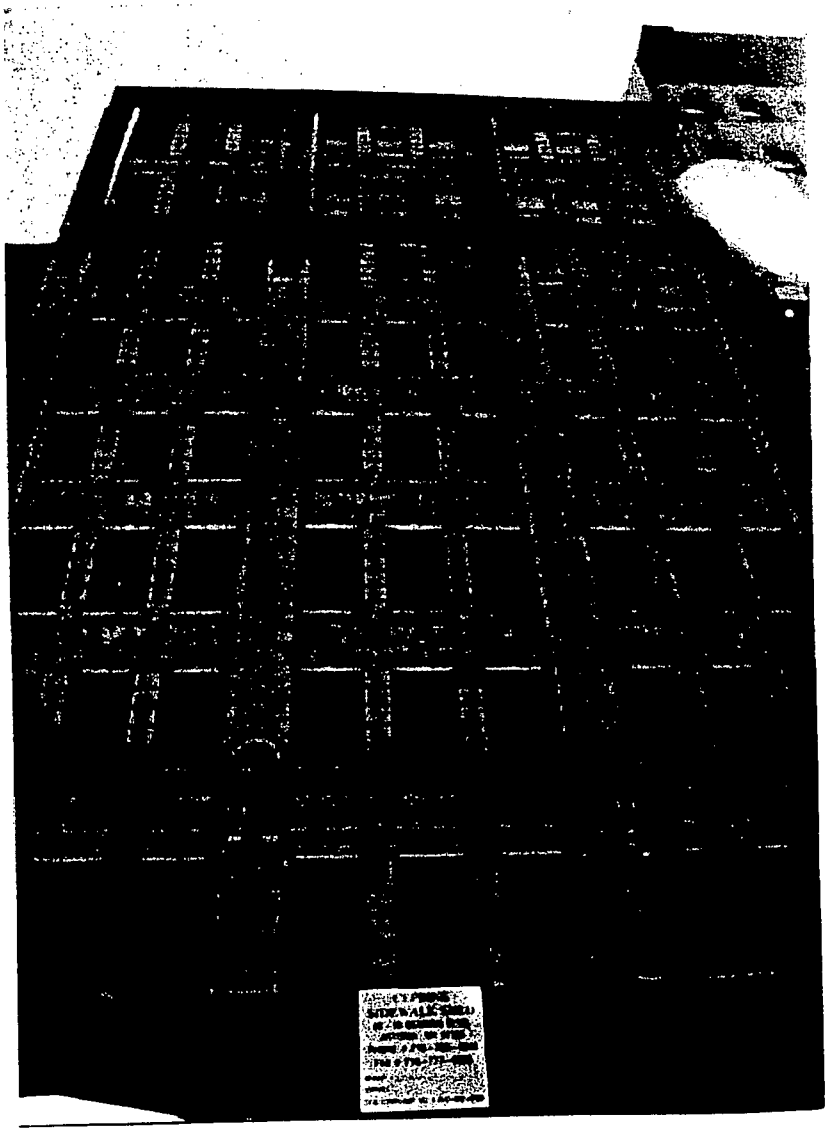
N

Epstein Engineering, P.C.

Not Drawn to Scale

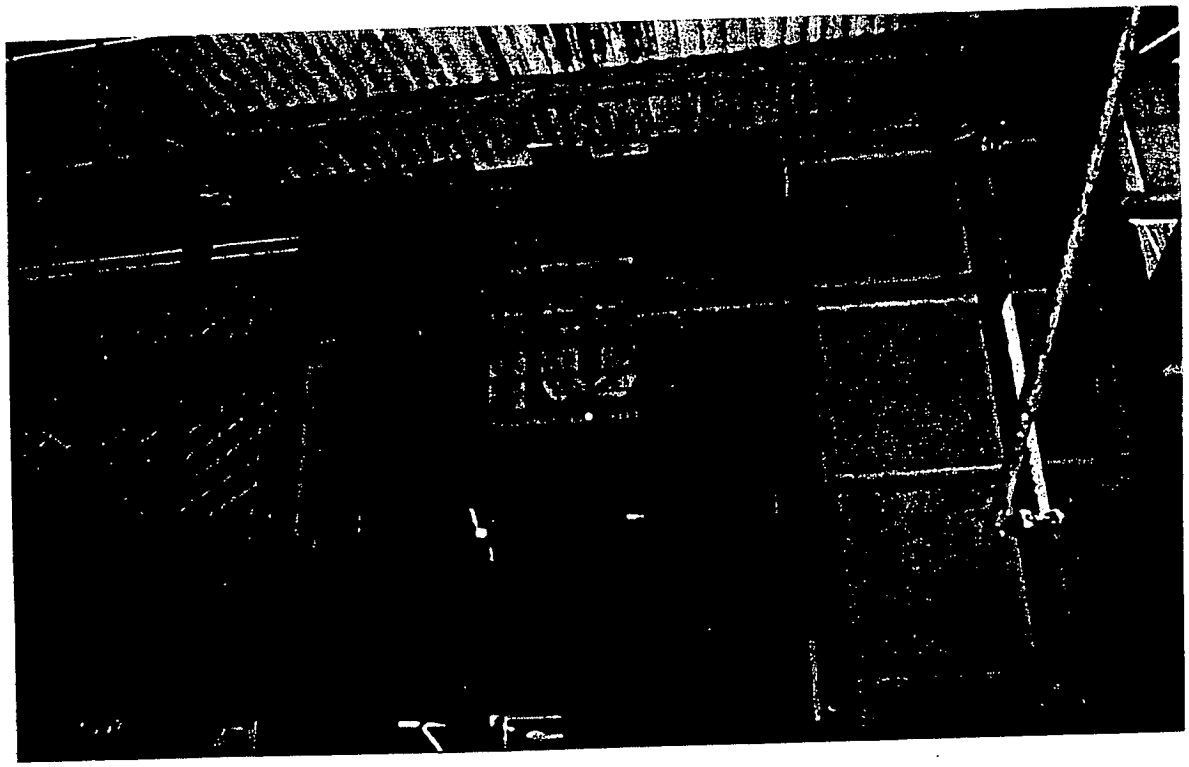
15 West 20th Street

Number	Location	Floor
1	.	.



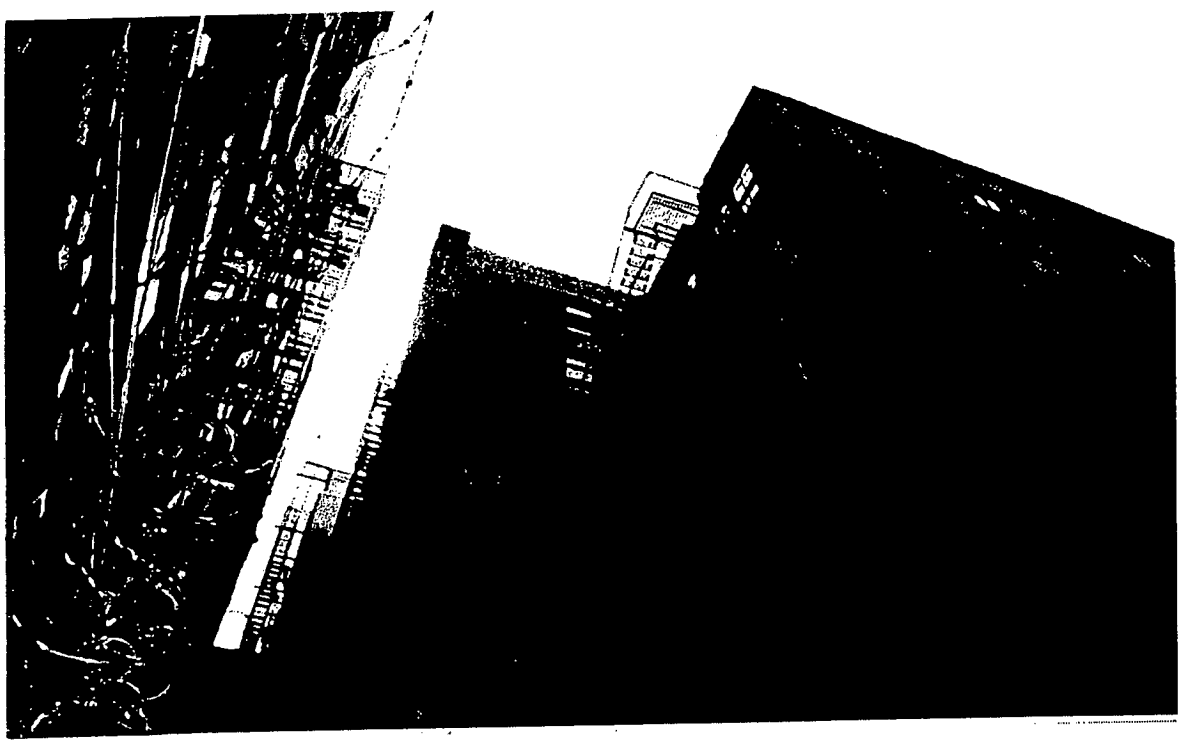
View of the North façade

15 West 20th Street



View of the main entrance

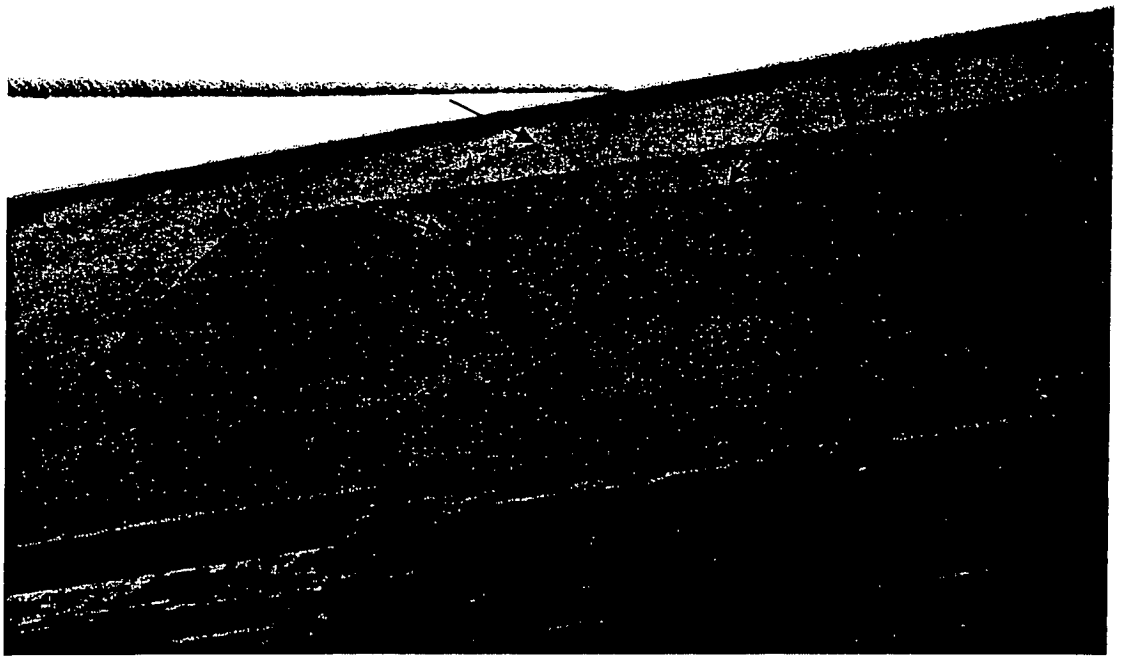
Number	Location	Floor
2		



View of the West façade

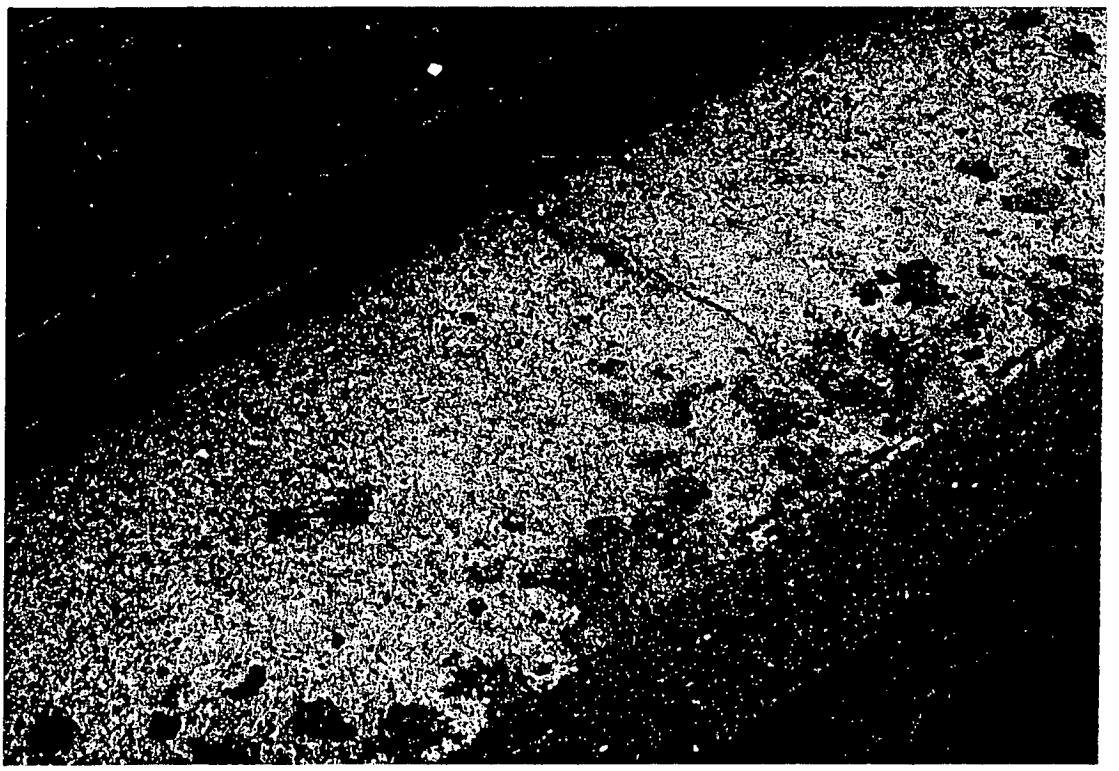
Number	Location	Floor
3		

15 West 20th Street



Cracked stucco coating along exterior parapet wall.

Number	Location	Floor
4	3/4	Above 9



Cracked window sill.

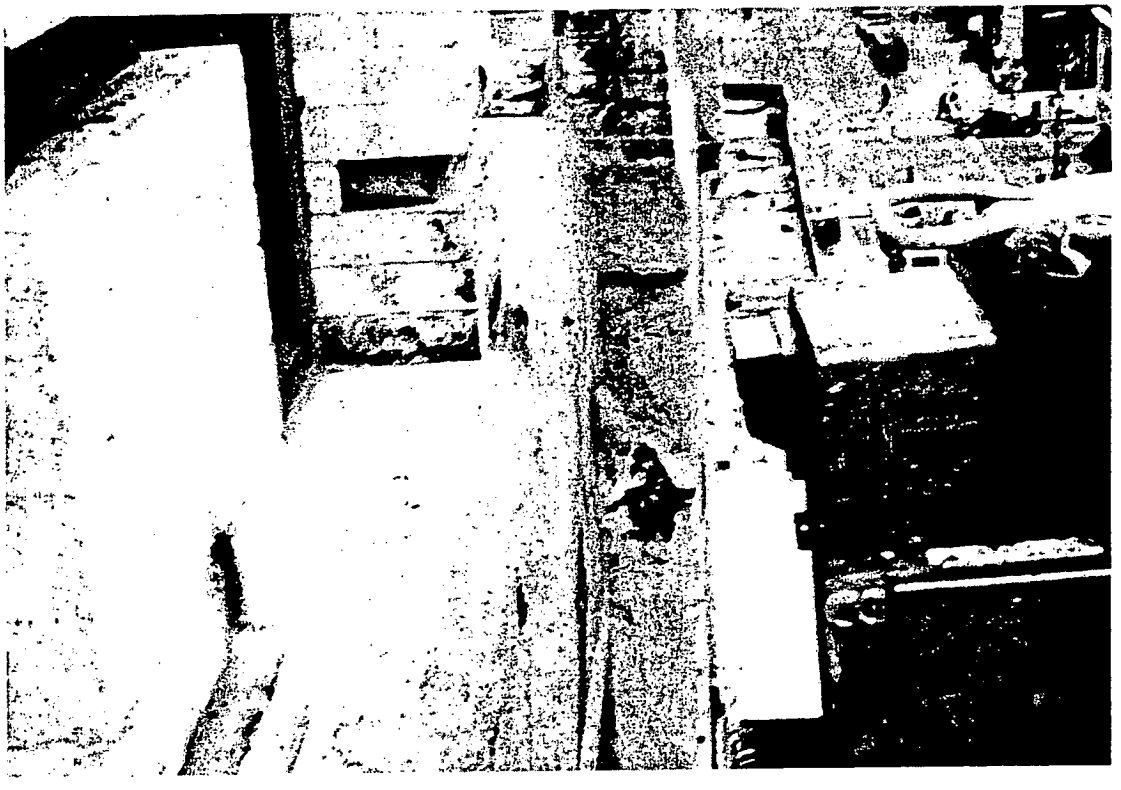
Number	Location	Floor
5	4	8

15 West 20th Street



Number	Location	Floor
6	3	8

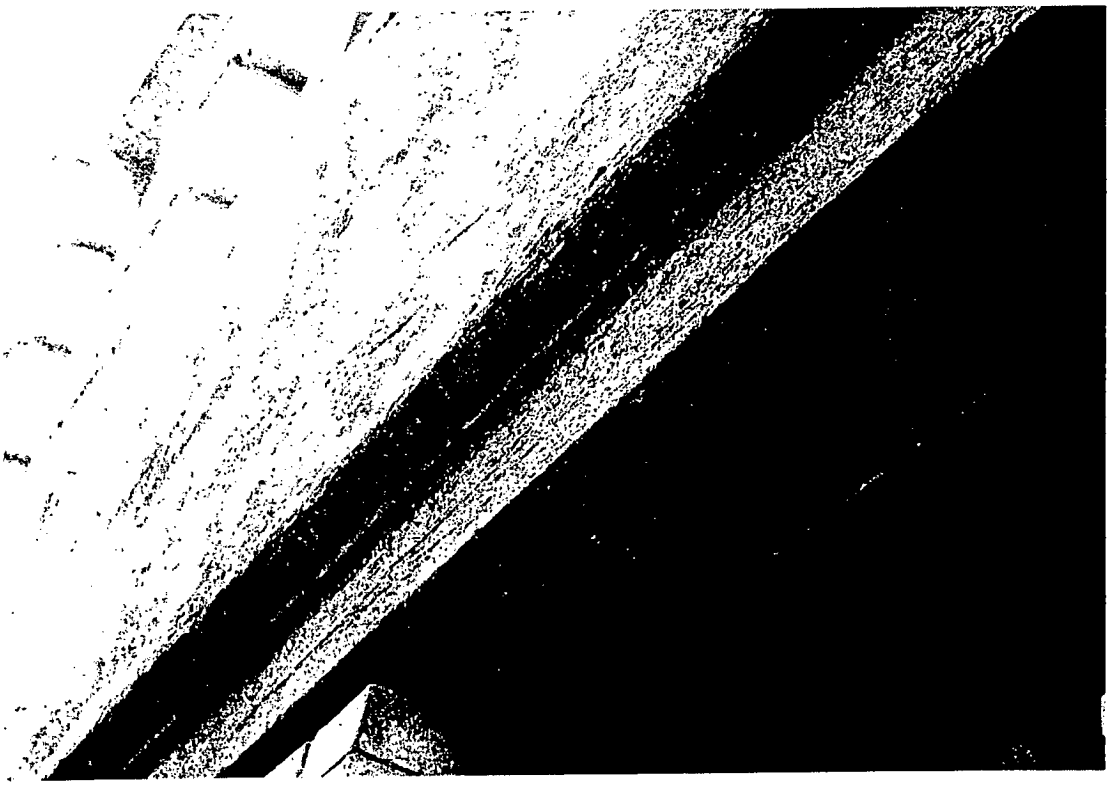
Cracked window sill.



Number	Location	Floor
7	6	7/8

Spalled/ deteriorated masonry coating.

15 West 20th Street



Deteriorated coating material at window head.

Number	Location	Floor
8	3	7



Cracked/ out of aligned masonry coating.

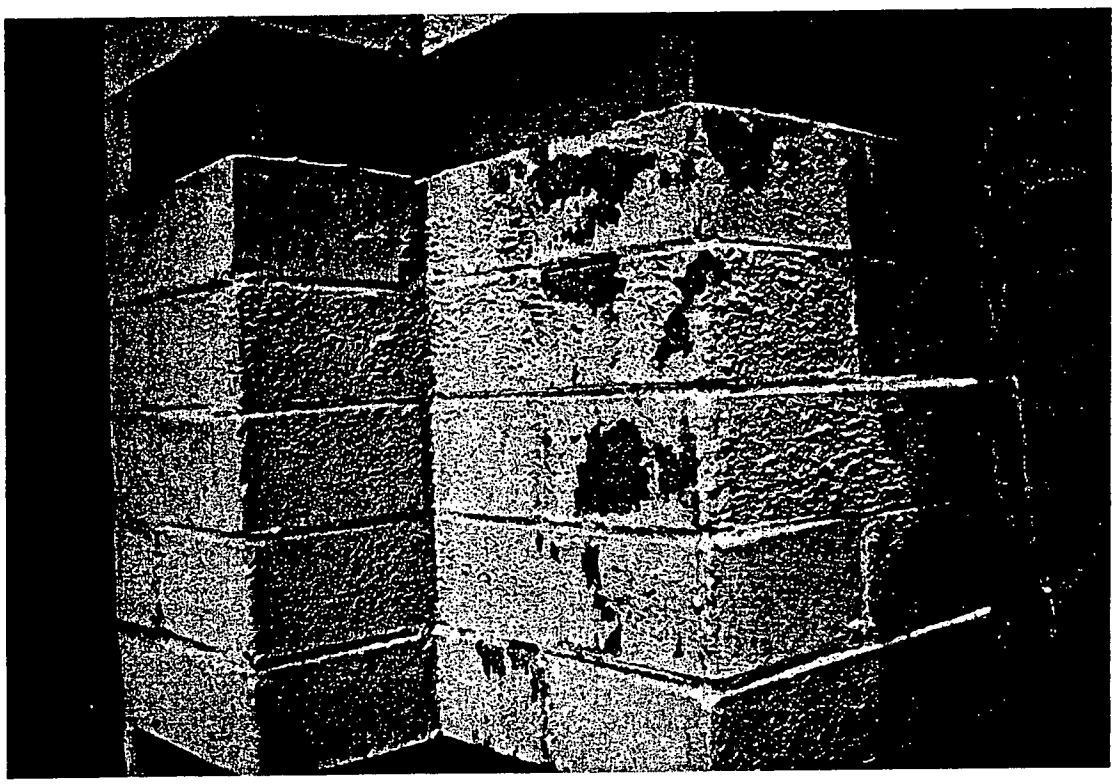
Number	Location	Floor
9	3/4	7

15 West 20th Street



Deteriorated coating material at window head.

Number	Location	Floor
10	4	7



Deteriorated coating material.

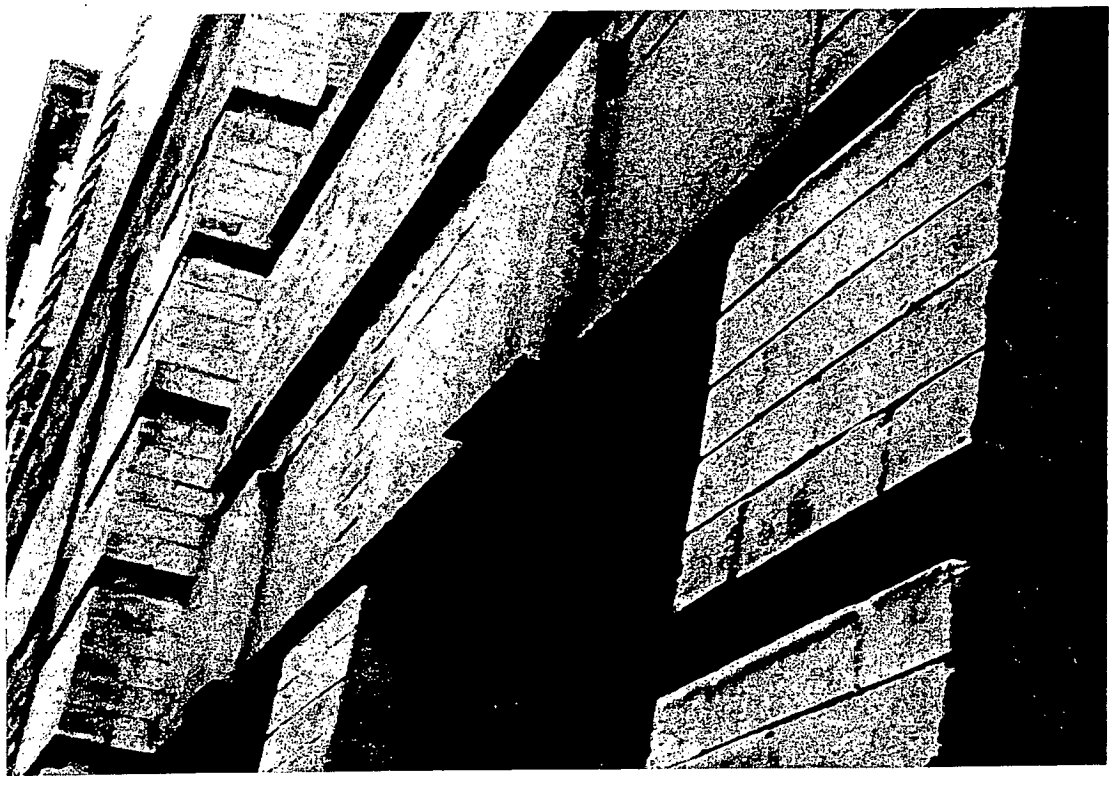
Number	Location	Floor
11	3	7

15 West 20th Street



Open/ deteriorated joints between decorative stones at window head.

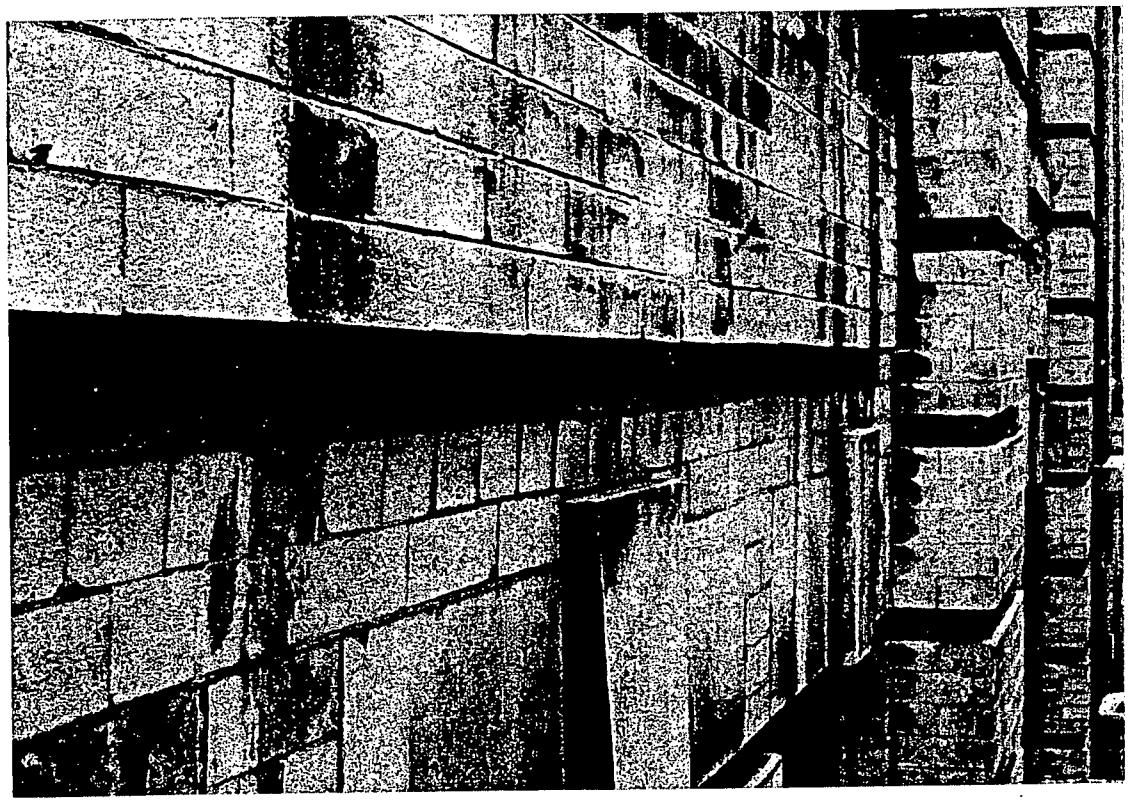
Number	Location	Floor
12	3	6



Open/ deteriorated joints between decorative stones at window head.

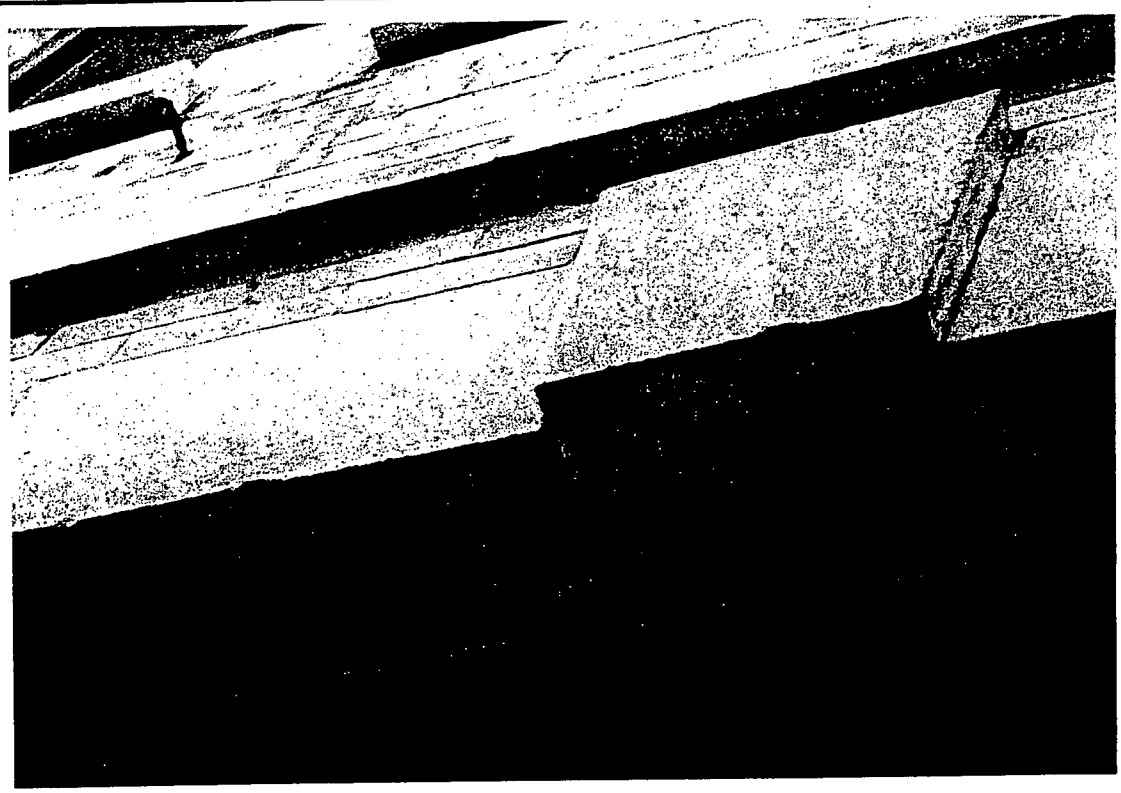
Number	Location	Floor
13	2	6

15 West 20th Street



Open/ deteriorated joints between decorative stones at window head.

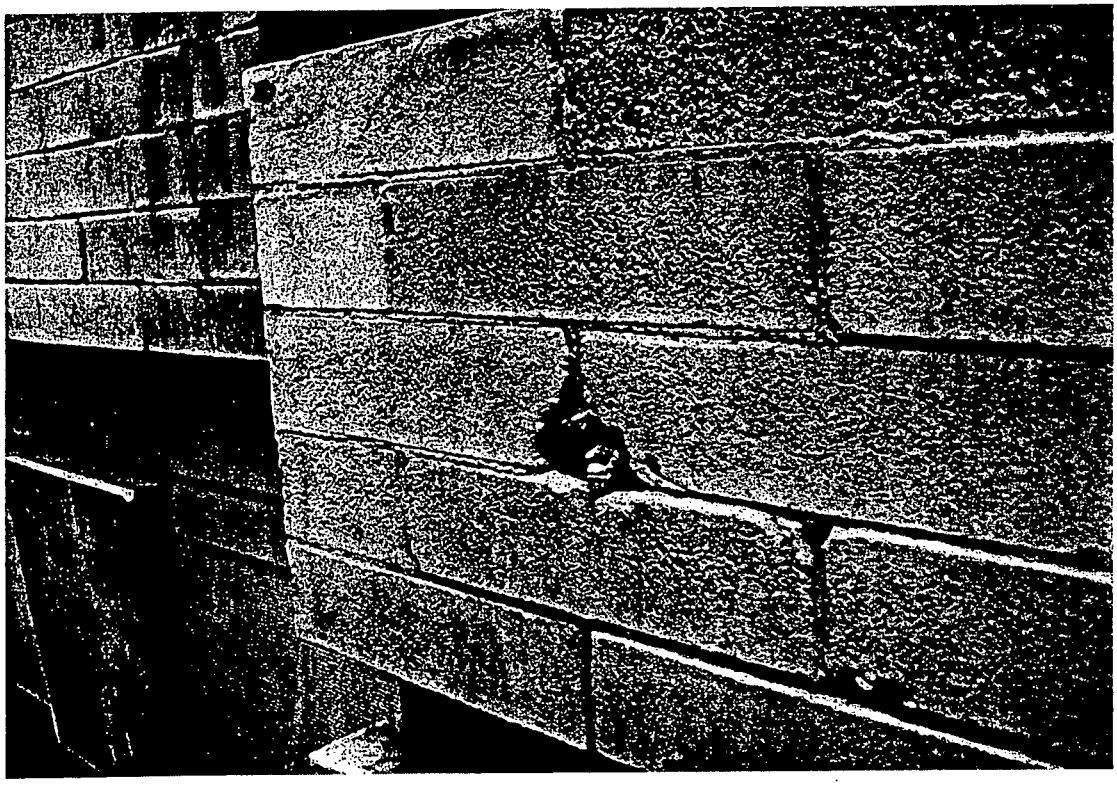
Number	Location	Floor
14	5	5



Open/ deteriorated joints between decorative stones at window head.

Number	Location	Floor
15	3	5

15 West 20th Street



Deteriorated brickwork.

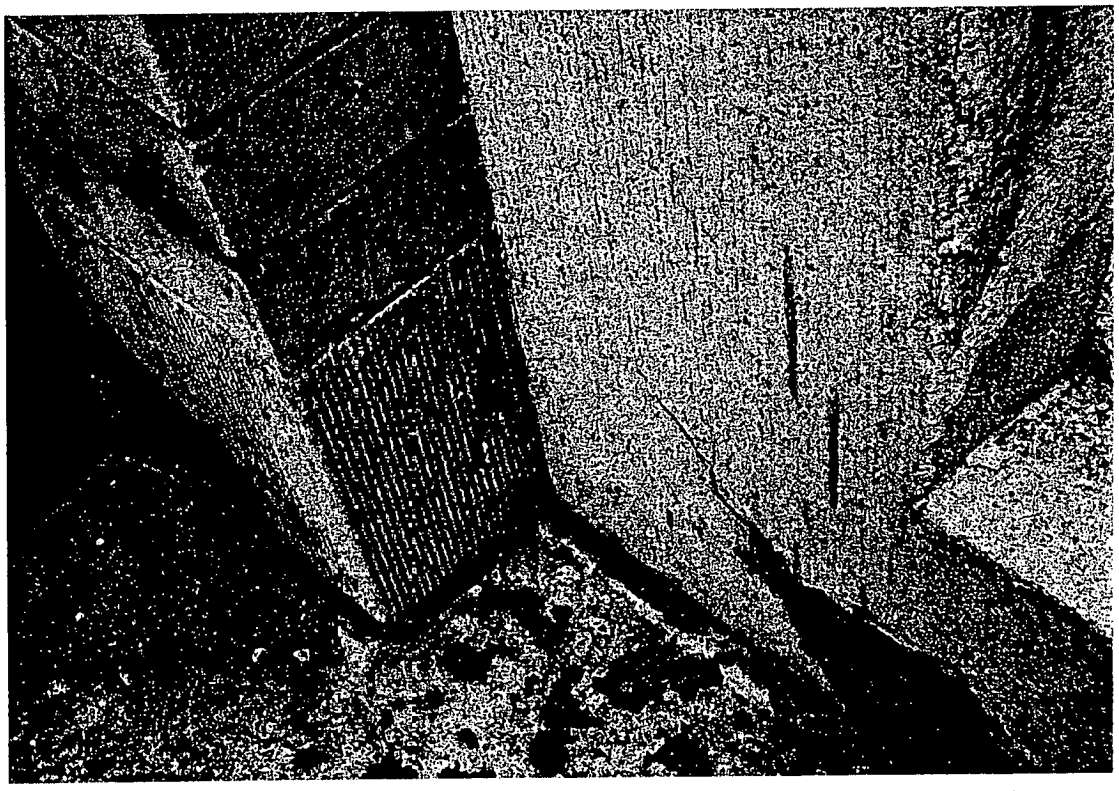
Number	Location	Floor
16	3/4	4/5



Open/ deteriorated joints between decorative stones at window head.

Number	Location	Floor
17	3	4

15 West 20th Street



Cracked decorative stone.

Number	Location	Floor
18	3	3



Deteriorated coating material.

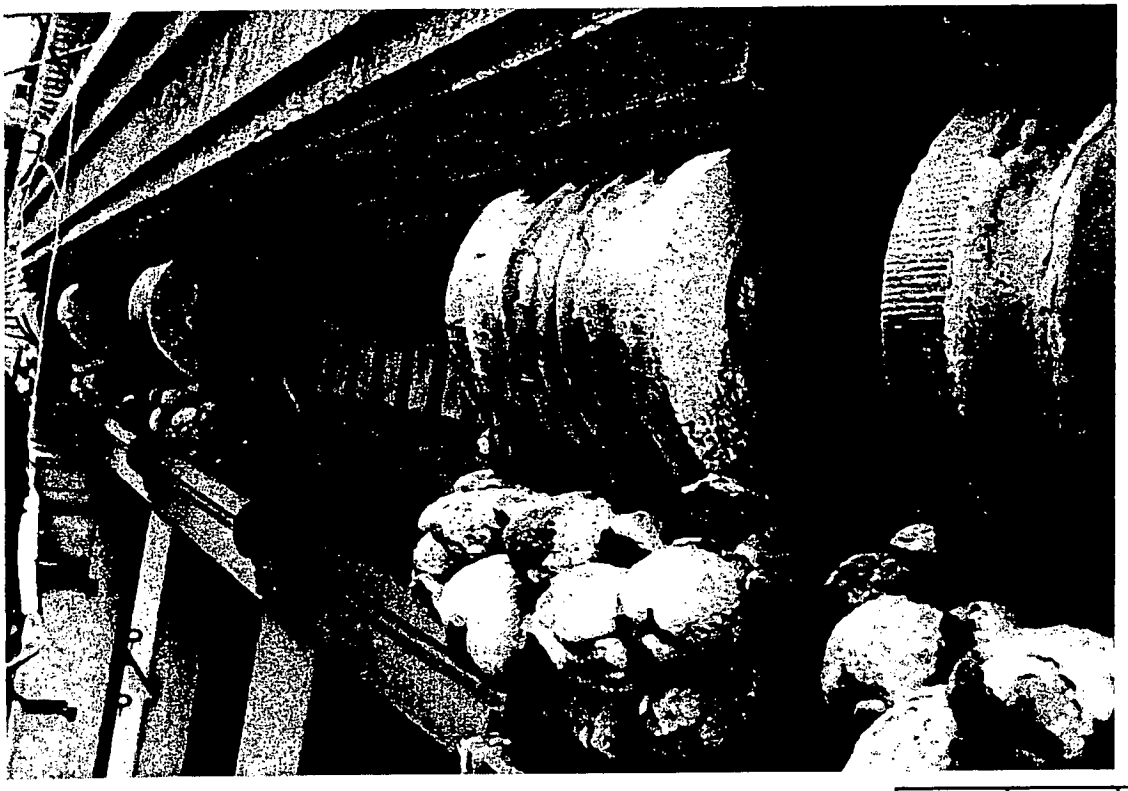
Number	Location	Floor
19	3/4	3

15 West 20th Street



Rusted metal along façade.

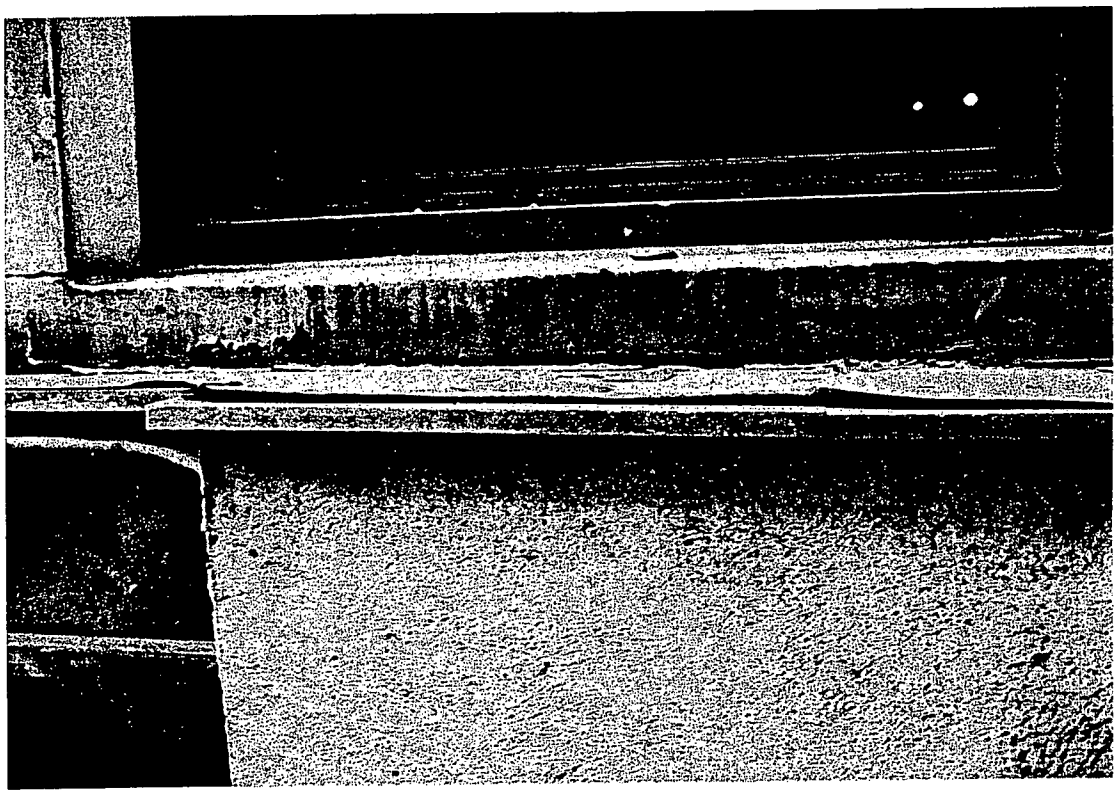
Number	Location	Floor
20	1/2	3



Deteriorated coating material along fascia/ underside of decorative ledge.

Number	Location	Floor
21	1-3	3

15 West 20th Street



Deteriorated material atop ledge.

Number	Location	Floor
22	2	2

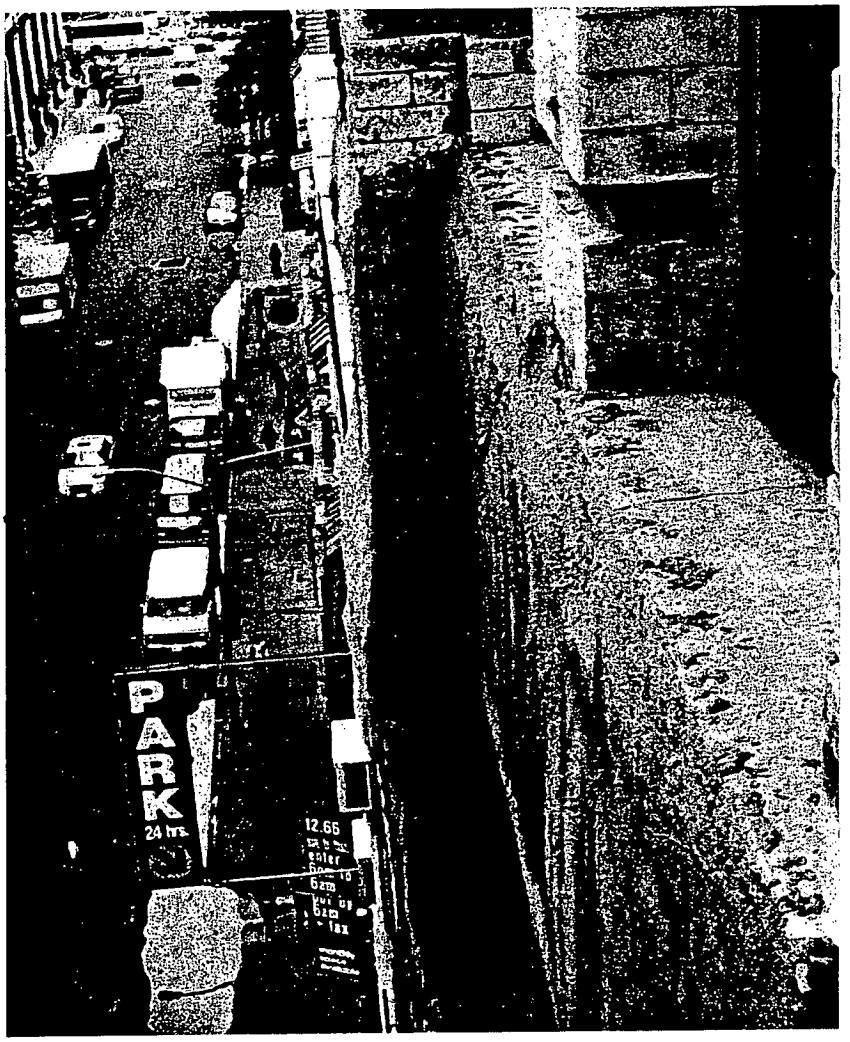


Deteriorated material atop ledge.

Number	Location	Floor
23	5	2

15 West 20th Street

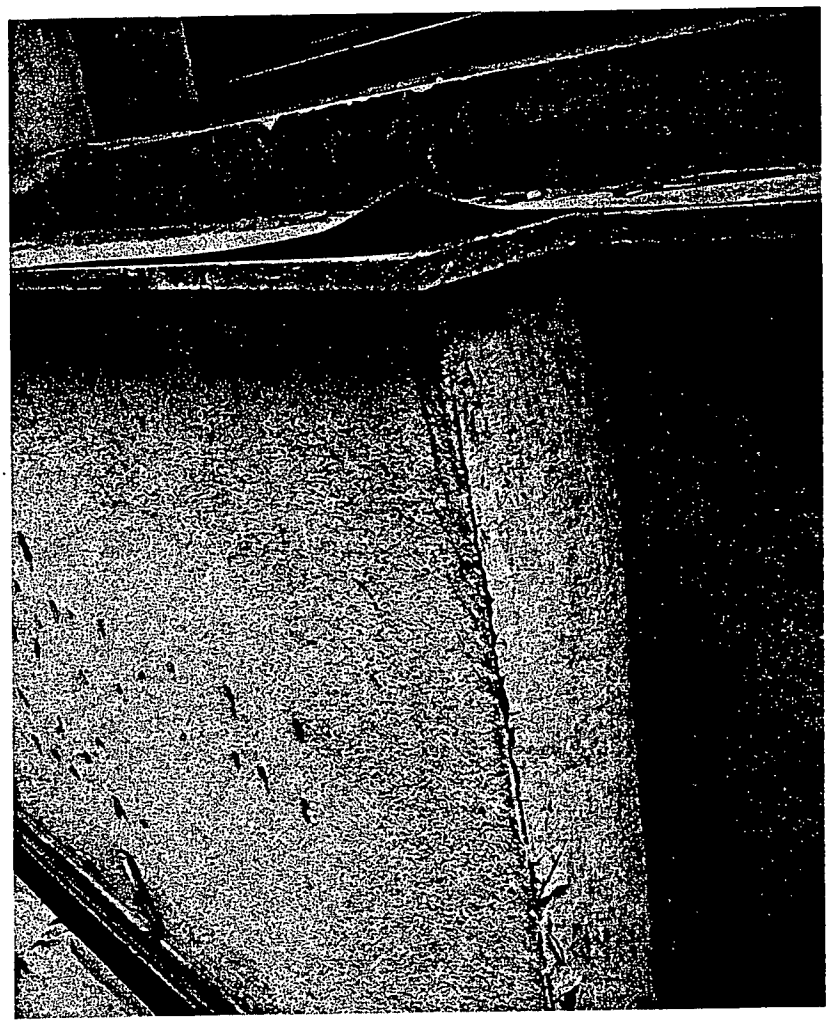
Number	Location	Floor
24	1	7/8



Deteriorated/ out of aligned masonry coating.

15 West 20th Street

Number	Location	Floor
25	8 8	2 1/2



Deteriorated material atop ledge.
Deteriorated coating material.

EXHIBIT "5"

ASBESTOS CERTIFICATION

ATTORNEY GENERAL's ASBESTOS-CONTAINING BUILDING MATERIALS (ACBMs) INSPECTION SURVEY

for the property known as:

15 WEST 20th STREET
NEW YORK, NEW YORK

prepared for:

EXTELL DEVELOPMENT COMPANY
800 THIRD AVENUE
4th FLOOR
NEW YORK, NY 10022

prepared by:

GCI ENVIRONMENTAL ADVISORY, INC.
655 THIRD AVENUE
NEW YORK, NY 10017

MAY 2004

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SECTION II	INTRODUCTION
SECTION III	SURVEY AREA DISCUSSION
SECTION IV	SAMPLING AND ANALYTICAL METHODOLOGY
SECTION V	SUMMARY
SECTION VI	RECOMMENDATIONS
SECTION VII	INSPECTOR'S CERTIFICATIONS
APPENDIX A	MATERIAL SAMPLE ANALYSIS (PLM)
APPENDIX B	ATTORNEY GENERAL SURVEY REQUIREMENTS

ATTORNEY GENERAL's ASBESTOS-CONTAINING BUILDING MATERIALS (ACBMs) INSPECTION SURVEY

for the property known as:

15 WEST 20th STREET
NEW YORK, NEW YORK

I. EXECUTIVE SUMMARY

An Attorney General's Asbestos-Containing Building Materials (ACBMs) Inspection Survey was conducted within the property located at 15 West 20th Street, New York, NY. The purpose of this survey was to comply with the Attorney General's requirements for a Cooperative Conversion (i.e. Title 13 NYCRR "Regulations Governing Newly Constructed Vacant or Non-residential Condominiums-see Appendix C). The survey was conducted by New York State Certified Inspector and New York City Certified Investigator, Mr. James Grond during May 2005.

No asbestos-containing building materials (ACBMs) were identified within any of the tenant occupied or common spaces including typical wall/ceiling plaster.

Results of the laboratory analysis of the bulk samples collected are found in Appendix A.

II. INTRODUCTION

An Attorney General's Asbestos-Containing Building Materials (ACBMs) Inspection Survey was conducted within the property located at 15 West 20th Street, New York, NY. The survey included:

A. Inspecting each common area and at least ten percent (10%) of the tenant spaces to identify representative "suspected" asbestos-containing building materials (ACBMs), types and sampling sites;

B. Collecting limited representative samples from various materials to accurately ascertain their composition;

C. Sampling conducted by experienced, licensed personnel trained in ways that minimized material disturbance (i.e. core samplers, wet methods, HEPA equipment, etc.) and exposure to the public;

D. A descriptive notation of sampling locations was made in the Sampling Log in order to locate the sampling sites at future dates;

E. All materials sampled were analyzed by a Laboratory that is New York State E-LAP Approved, NVLAP Accredited and is a successful participant in the EPA RTS Quality Assurance Program;

F. Re-inspecting all accessible areas of the building to determine if friable asbestos-containing building materials (ACBMs) were discovered within the Tenant or Common spaces during the initial ten percent (10%) inspection.

III. SURVEY AREA DISCUSSION

The surveyed building is a Nine (9) story former mixed-use office building with basement. The building is a concrete and brick constructed structure with all original mechanical, electrical and plumbing systems removed including wooden floors. Due to building renovation all tenant improvements including, but not limited, to sheetrock partitions, suspended ceiling tiles, carpeting, etc. were removed prior to the inspection and the only remaining materials observed within the building included original wall/ceiling plaster.

The surveyed areas included the Basement and Ground Floor - Ninth (9th) Floor which exceeded the Attorney General's minimum of ten percent (10%) of the tenant controlled spaces. No friable asbestos-containing materials were identified within the tenant or common spaces during the inspection and as per the Attorney General's requirements, no re-inspection of all accessible areas of the building was required.

IV. SAMPLING AND ANALYTICAL METHODOLOGY

Representative samples of selected "suspected" asbestos-containing materials were collected utilizing approved Federal, State and Local methods. All samples were submitted to an accredited laboratory for analysis. Each sample was analyzed by the designated laboratory utilizing Polarized Light Microscopy (PLM) methods. Materials that were found to contain greater than one percent (>1%) asbestos were identified as positive and labeled as asbestos-containing. Other materials, in which either no asbestos was identified or trace amounts were detected in quantities less than one percent (<1%), were classified as non-asbestos-containing.

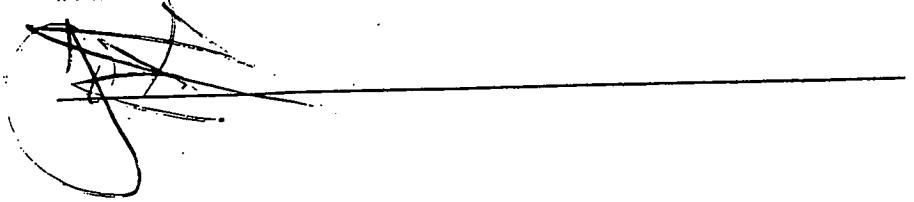
Analytical results for all materials sampled during the survey can be found in Appendix A.

V. SUMMARY

No asbestos-containing building materials (ACBMs) were identified within any of the tenant occupied or common spaces including typical wall/ceiling plaster.

VII. INSPECTOR'S CERTIFICATIONS

This asbestos inspection was performed by Mr. James Grond, NYS Certified Inspector #AH 90-15629 and New York City Certified Asbestos Investigator #96013.



APPENDIX A
MATERIAL SAMPLE ANALYSIS (PLM)

AMERI SCI

AmeriSci New York
117 EAST 30TH STREET
NEW YORK, NY 10016
TEL: (212) 679-8600 • FAX: (212) 679-9392

PLM Bulk Asbestos Report

GCI Environmental Advisory, Inc.
Attn: Paul Sousa
655 Third Avenue, Penthouse
New York, NY 10017

Date Received 05/02/05 **AmeriSci Job No.**205051085
Date Examined 05/02/05 **P.O. #** N05-H6305
ELAP Number 11480 **Page** 1 **of** 3
RE N05-H6305; Extell Development Company; 15 West 20th Street, New York, NY, Building Renovation

Client No. / HGA	Lab No.	Asbestos Present	Total % Asbestos
15-12-5/2-01	205051085-01.1	*No*	NAD

Location: 12th Floor, West Side 10ft From Elevator - Plaster
Description: White, Homogeneous, Non-Fibrous, Plaster
Asbestos Types:
Other Material: Non-fibrous 100. %

15-12-5/2-01	205051085-01.2	*No*	NAD

Location: 12th Floor, West Side 10ft From Elevator - Plaster
Description: Brown, Homogeneous, Non-Fibrous, Cementitious, Plaster
Asbestos Types:
Other Material: Animal hair Trace, Cellulose Trace, Non-fibrous 100. %

15-12-5/2-02	205051085-02.1	*No*	NAD

Location: 10th Floor, North Wall - 15ft East Of West Wall - Plaster
Description: White, Homogeneous, Non-Fibrous, Plaster
Asbestos Types:
Other Material: Non-fibrous 100. %

15-12-5/2-02	205051085-02.2	*No*	NAD

Location: 10th Floor, North Wall - 15ft East Of West Wall - Plaster
Description: Brown, Homogeneous, Non-Fibrous, Cementitious, Plaster
Asbestos Types:
Other Material: Animal hair Trace, Cellulose Trace, Non-fibrous 100. %

15-12-5/2-03	205051085-03.1	*No*	NAD

Location: 8th Floor, Southwest Corner - Plaster
Description: White, Homogeneous, Non-Fibrous, Plaster
Asbestos Types:
Other Material: Non-fibrous 100. %

AMERISCI

AmeriSci New York
117 EAST 30TH STREET
NEW YORK, NY 10016
TEL: (212) 679-8600 • FAX: (212) 679-9392

PLM Bulk Asbestos Report

GCI Environmental Advisory, Inc.
Attn: Paul Sousa
655 Third Avenue, Penthouse
New York, NY 10017

Date Received 05/02/05
Date Examined 05/02/05
ELAP Number 11480

AmeriSci Job No.205051085
P.O. # N05-H6305
Page 2 **of** 3

RE N05-H6305; Extell Development Company; 15 West 20th Street, New York, NY, Building Renovation

Client No. / HGA	Lab No.	Asbestos Present	Total % Asbestos
15-12-5/2-03	205051085-03.2	*No*	NAD

Location: 8th Floor, Southwest Corner - Plaster

Description: Brown, Homogeneous, Non-Fibrous, Cementitious, Plaster
Asbestos Types:
Other Material: Animal hair Trace, Cellulose Trace, Non-fibrous 100. %

15-12-5/2-04	205051085-04.1	*No*	NAD

Location: 6th Floor, Northwest Corner - Plaster

Description: White, Homogeneous, Non-Fibrous, Plaster
Asbestos Types:
Other Material: Non-fibrous 100. %

15-12-5/2-04	205051085-04.2	*No*	NAD

Location: 6th Floor, Northwest Corner - Plaster

Description: Brown, Homogeneous, Non-Fibrous, Cementitious, Plaster
Asbestos Types:
Other Material: Cellulose Trace, Non-fibrous 100. %

15-12-5/2-05	205051085-05	*No*	NAD

Location: 4th Floor, Southwest Corner - Plaster

Description: Brown, Homogeneous, Non-Fibrous, Cementitious, Plaster
Asbestos Types:
Other Material: Animal hair Trace, Cellulose Trace, Non-fibrous 100. %

15-12-5/2-06	205051085-06.1	*No*	NAD

Location: 3rd Floor, West Wall 20ft From Elevator Door - Plaster

Description: White, Homogeneous, Non-Fibrous, Plaster
Asbestos Types:
Other Material: Non-fibrous 100. %

AMERISCI

AmeriSci New York
117 EAST 30TH STREET
NEW YORK, NY 10016
TEL: (212) 679-8600 • FAX: (212) 679-9392

PLM Bulk Asbestos Report

GCI Environmental Advisory, Inc.
Attn: Paul Sousa
655 Third Avenue, Penthouse
New York, NY 10017

Date Received 05/02/05 **AmeriSci Job No.**205051085
Date Examined 05/02/05 **P.O. #** N05-H6305
ELAP Number 11480 **Page** 3 **of** 3
RE N05-H6305; Extell Development Company; 15 West 20th Street, New York, NY, Building Renovation

Client No. / HGA	Lab No.	Asbestos Present	Total % Asbestos
15-12-5/2-06	205051085-06.2	*No*	NAD

Location: 3rd Floor, West Wall 20ft From Elevator Door - Plaster

Description: Brown, Homogeneous, Non-Fibrous, Cementitious, Plaster
Asbestos Types:
Other Material: Animal hair Trace, Cellulose Trace, Non-fibrous 100. %

15-12-5/2-07	205051085-07.1	*No*	NAD

Location: Lobby, Northwest Corner - Plaster

Description: White, Homogeneous, Non-Fibrous, Plaster
Asbestos Types:
Other Material: Non-fibrous 100. %

15-12-5/2-07	205051085-07.2	*No*	NAD

Location: Lobby, Northwest Corner - Plaster

Description: Brown, Homogeneous, Non-Fibrous, Cementitious, Plaster
Asbestos Types:
Other Material: Animal hair Trace, Cellulose Trace, Non-fibrous 100. %

Reporting Notes:

Analyzed by: Jonathan M. Teda

*NAD/NSD = no asbestos detected; NA = not analyzed; NA/PS = not analyzed / positive stop; PLM Bulk Asbestos Analysis by EPA 600/M4-82-020 per 40 CFR 763 (NVLAP Lab #200546-0) and ELAP PLM Analysis Protocol 198.1 for New York samples (NYSDOH ELAP Lab # 11480); Note: PLM is not consistently reliable in detecting asbestos in floor coverings and similar non-friable organically bound materials. TEM is currently the only method that can be used to determine if this material can be considered or treated as non-asbestos-containing in New York State (also see EPA Advisory for floor tile, FR 59, 146, 38970, 8/1/94). National Institute of Standards and Technology Accreditation requirements mandate that this report must not be reproduced except in full without the approval of the laboratory. This PLM report relates ONLY to the items tested. AIHA# 102843.

Reviewed By:

APPENDIX B
AG SURVEY REQUIREMENTS

Part 20 of Title 13 NYCRR

Regulations Governing

Newly Constructed, Vacant or

Non-Residential Condominiums

Effective July 31, 1991
As Amended Through June 1997

Attorney General Eliot Spitzer

New York State Department of Law
Real Estate Financing Bureau - 23rd Floor
120 Broadway, New York, NY 10271
(212) 416-8121

(iii) Part C of the Exhibits (engineering) shall consist of the following documents:

(C-1) Architect's or engineer's detailed description of the property and building condition with the architect's or engineer's seal and original signature. The description must be dated within ninety (90) days of submission to the Department of Law and conform to the requirements of Section 20.7 of these regulations; see Exhibit A-2. The Department of Law may in its discretion require a further inspection and report.

(C-2) Asbestos report, except in the case of newly constructed buildings, dated within ninety (90) days of submission to the Department of Law. The report must conform to the requirements of Section 20.7(cc) of these regulations.

(C-3) Copy of currently valid temporary, partial or permanent certificate of occupancy or its equivalent. If a certificate of occupancy is not available because the building was constructed before the municipality began to issue certificates of occupancy, include an affidavit from the sponsor that the proposed use by the condominium is identical to the original use of the building. If no certificate of occupancy has yet been issued, so indicate and forward to the Department of Law when issued.

(C-4) Copy of approved building plans, if available, or if required by GBL Section 352-ee or if required by local law, any specifications required by government agencies having jurisdiction, and copies of all required construction permits from government agencies having jurisdiction.

(iv) Part D of the Exhibits (other information) shall consist of the following documents:

(D-1) Signed M-10 form(s), broker-dealer statement, for the selling agents (Orig), unless exempted by GBL Section 359-e, and signed M-2 form(s), salespersons' statements, for all individual employees who act as salespersons (Orig), unless exempted by GBL Section 359-e. Forms do not have to be submitted if currently valid registration forms are on file with the Department of Law from prior offerings and a copy of the form is submitted as Exhibit D-1.

20.2(c)

(cc) *Asbestos.* State whether Asbestos Containing Material (ACM) is present in insulating or fireproofing material anywhere in the building. Sponsor shall perform such tests as are necessary to make such determination. In the event that ACM is present, sponsor shall have a person who is qualified to render an opinion on asbestos prepare a report on the asbestos in the building (the "asbestos report"). Such asbestos report shall contain at least the following information:

(1) The qualifications of the person preparing the report.

(2) A detailed inventory of the asbestos in each unit and in all other areas of the property, including the location, amount of ACM, type and concentration of asbestos in ACM, and condition. At least 10% of all units must be inspected in an initial inspection. If ACM is found in any of these units, a second inspection, with notice to tenants, must be performed in all remaining accessible units. List units inspected.

(3) Recommendations for handling each and every item of the asbestos inventory, *i.e.*, removal, enclosure, encapsulation, or leaving undisturbed.

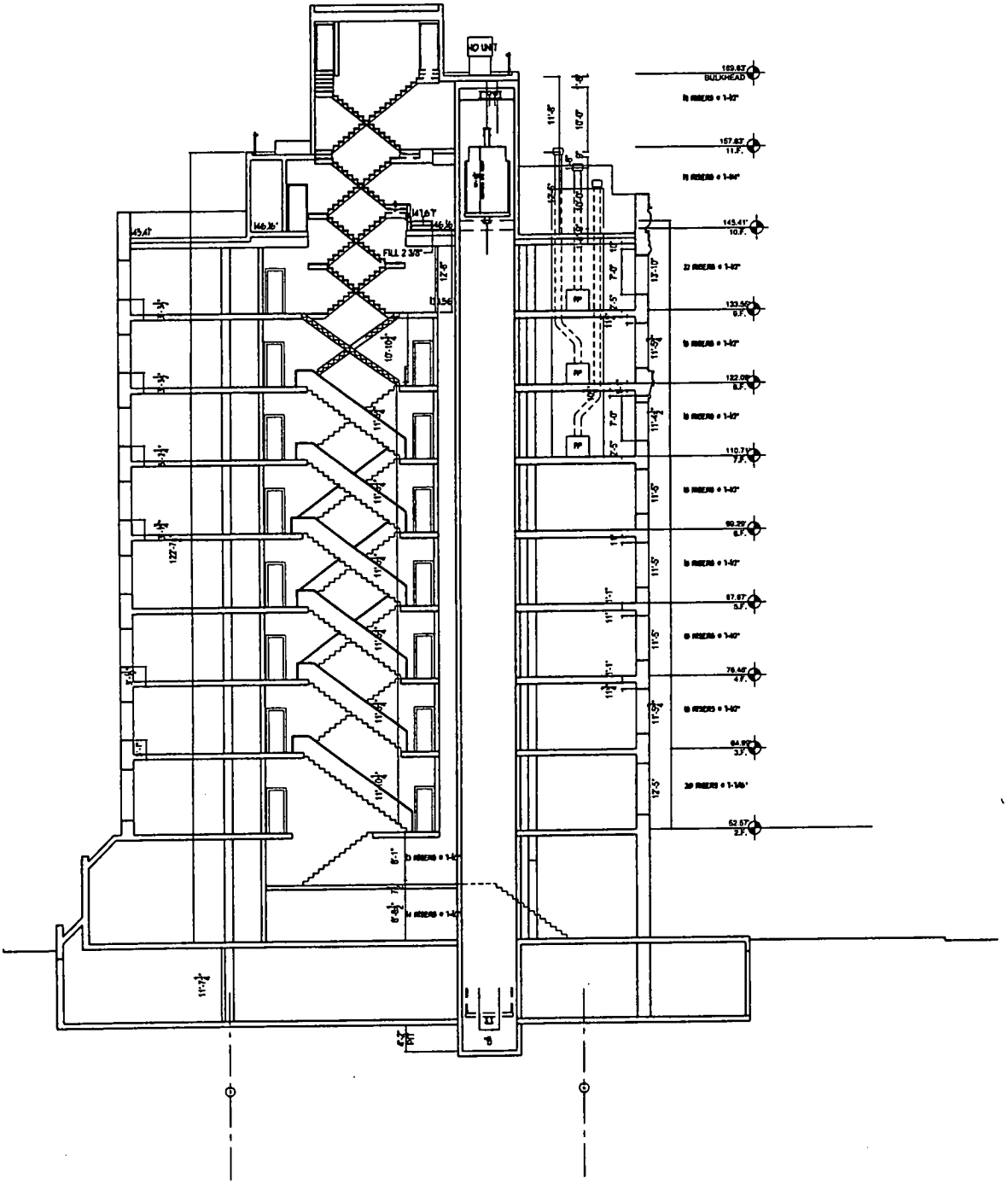
(4) How the recommendations should be implemented. Include, if applicable, whether units must be vacated or whether use of certain rooms will be limited and the projected duration thereof. State whether the work must be performed in compliance with New York City Local Law 76 of 1985 or any other applicable laws.

(5) A recommended protocol (operations and maintenance program) for the future handling and maintenance of asbestos which will remain in the building, whether encapsulated, enclosed or left undisturbed.

(dd) *Lead-based paint.* Include records, reports, violations and any other information known or available to the sponsor or its agents concerning the presence of lead-based paint and/or lead-based paint hazards.

EXHIBIT "6"

FLOOR PLANS



AVRAHAM E. MALKHOTKA ARCHITECTS
AVRAHAM E. MALKHOTKA AIA (212) 620-0200
148 WEST 24TH STREET NEW YORK, NY 10011

ATHWAL AND ASSOCIATES, INC.
MECHANICAL ENGINEERS (212) 532-4155
111 BROADWAY, SUITE 308
NEW YORK, NY 10006

DESIGNCORE CONSULTING ENGINEERS (212) 532-7211
STRUCTURAL ENGINEERS 19 WEST 18TH STREET NEW YORK, NY 10011

CONSTRUCTION CONSULTING ASSOC (212) 285-1818
COST CONSULTANTS 100 CHURCH STREET NEW YORK, NY 10007

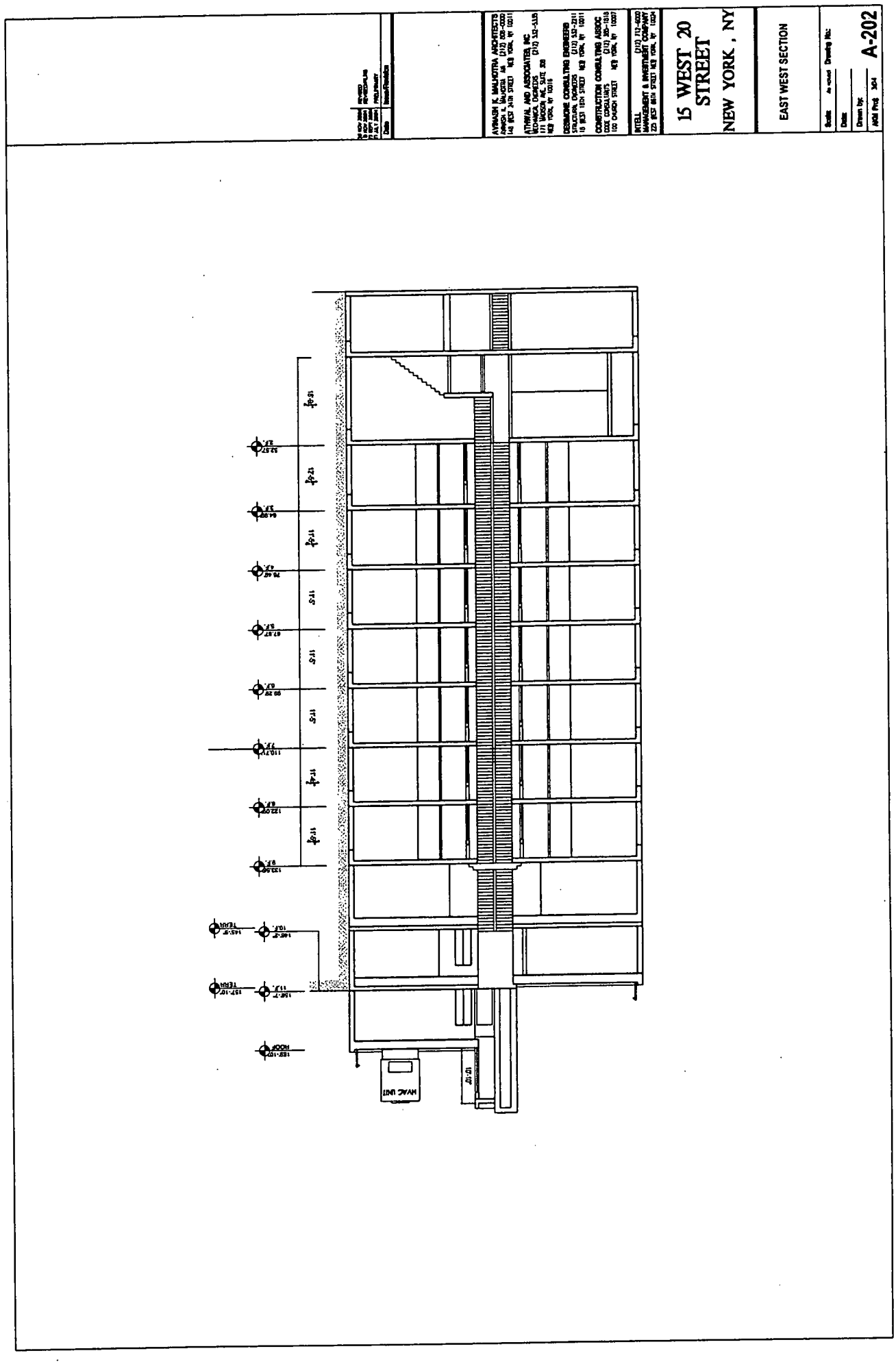
INTELL (212) 712-4000
MANAGEMENT & INVESTMENT COMPANY 220 WEST 19TH STREET NEW YORK, NY 10011

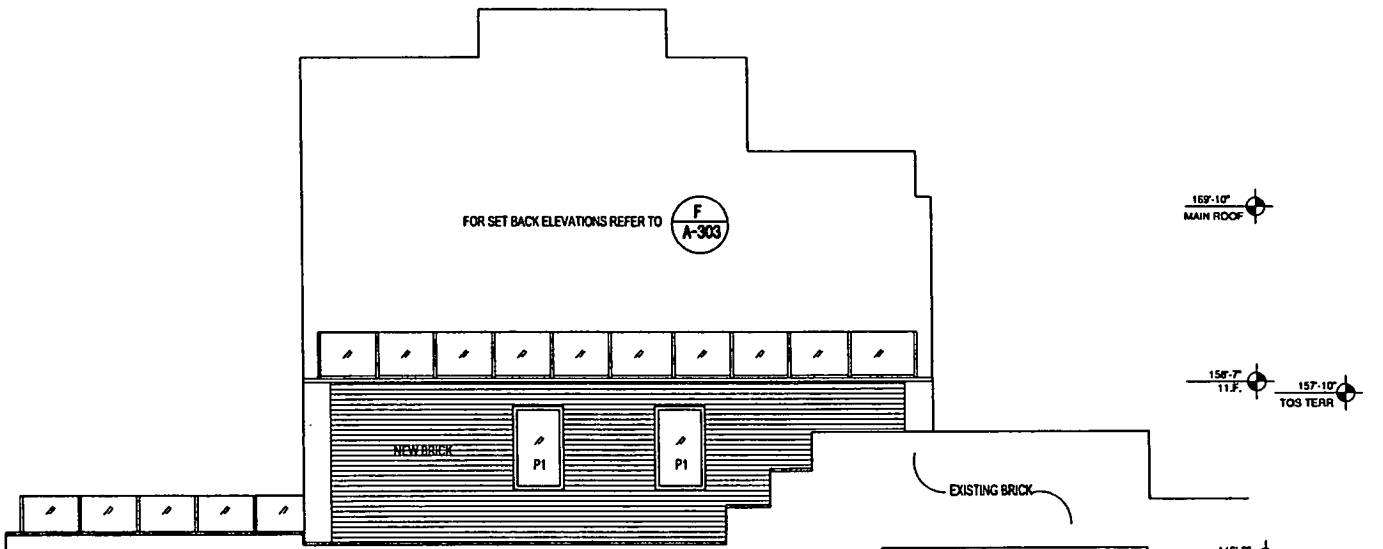
15 WEST 20 STREET
NEW YORK , NY

NORTH - SOUTH SECTION

Scale: As noted Drawing No.:
Date:
Drawn by:
AKM Proj. 3004

A-201


15 WEST 20 STREET
NEW YORK , NY
EAST WEST SECTION
A-202
HVAC UNIT



I PART WEST ELEVATION

1/4"=1'-0"

Date	Issue/Revision
09 DEC 2004	REVISED
5 NOV 2004	REVISED PLANS
1 NOV 2004	PRELIMINARY

AVINASH K. MALHOTRA ARCHITECTS
AVINASH K. MALHOTRA AIA (212) 808-0000
148 WEST 24TH STREET NEW YORK, NY 10011

ATHWAL AND ASSOCIATES, INC
MECHANICAL ENGINEERS (212) 532-5335
171 MADISON AVE, SUITE 305
NEW YORK, NY 10016

DESIMONE CONSULTING ENGINEERS
STRUCTURAL ENGINEERS (212) 532-2211
18 WEST 18TH STREET NEW YORK, NY 10011

CONSTRUCTION CONSULTING ASSOC
CODE CONSULTANTS (212) 385-1818
100 CHURCH STREET NEW YORK, NY 10007

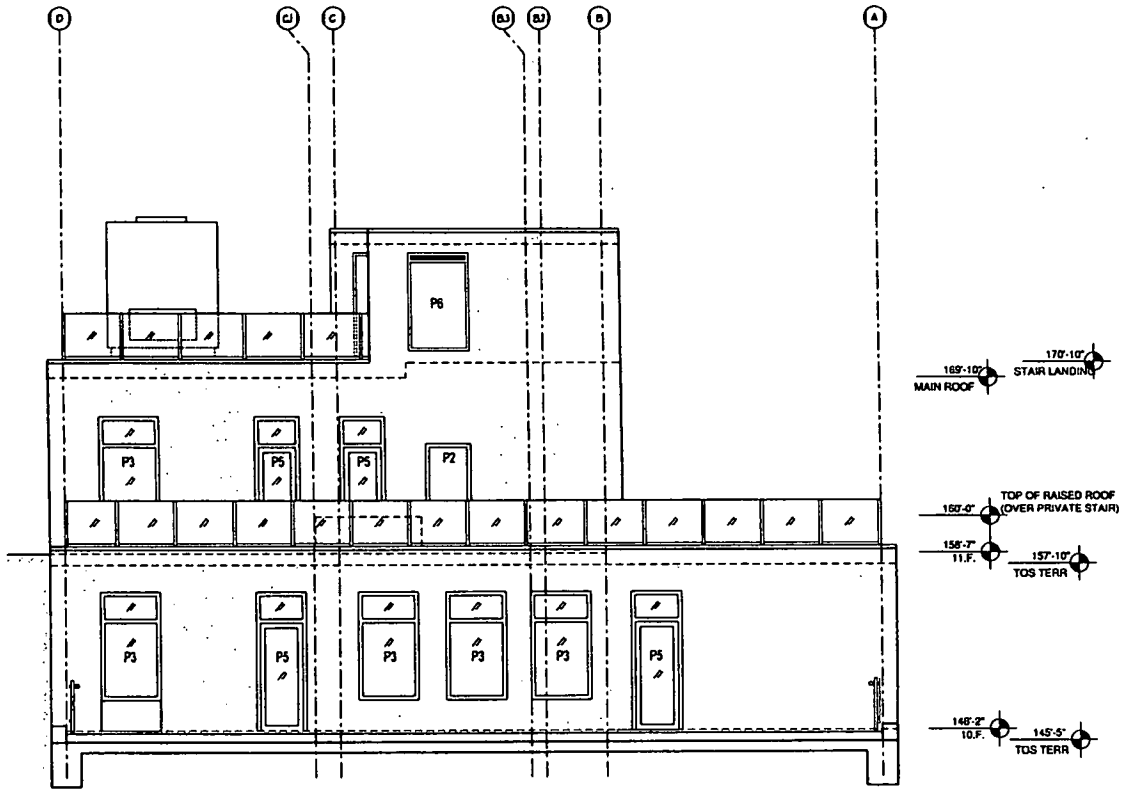
INTELL (212) 712-6000
MANAGEMENT & INVESTMENT COMPANY
225 WEST 86TH STREET NEW YORK, NY 10024

15 WEST 20 STREET
NEW YORK , NY

PARTIAL ELEVATION

Scale: As noted Drawing No.:
Date:
Drawn by:
AKM Proj: 304

A-301



NORTH ELEVATION/ SECTION
THRU 10TH FLOOR TERRACE

E

1/4"=1'-0"

06 DEC 2004	REVISED
29 NOV 2004	REVISED AS PER DOB COMMENTS
8 NOV 2004	REVISED PLANS
29 OCT 2004	PRELIMINARY
Date	Issue/Revision

AVINASH K. MALHOTRA ARCHITECTS
AVINASH K. MALHOTRA AIA (212) 808-0000
148 WEST 24TH STREET NEW YORK, NY 10011

ATHWAL AND ASSOCIATES, INC
MECHANICAL ENGINEERS (212) 532-5135
171 MADISON AVE, SUITE 308
NEW YORK, NY 10016

DESIMONE CONSULTING ENGINEERS
STRUCTURAL ENGINEERS (212) 532-2211
18 WEST 18TH STREET NEW YORK, NY 10011

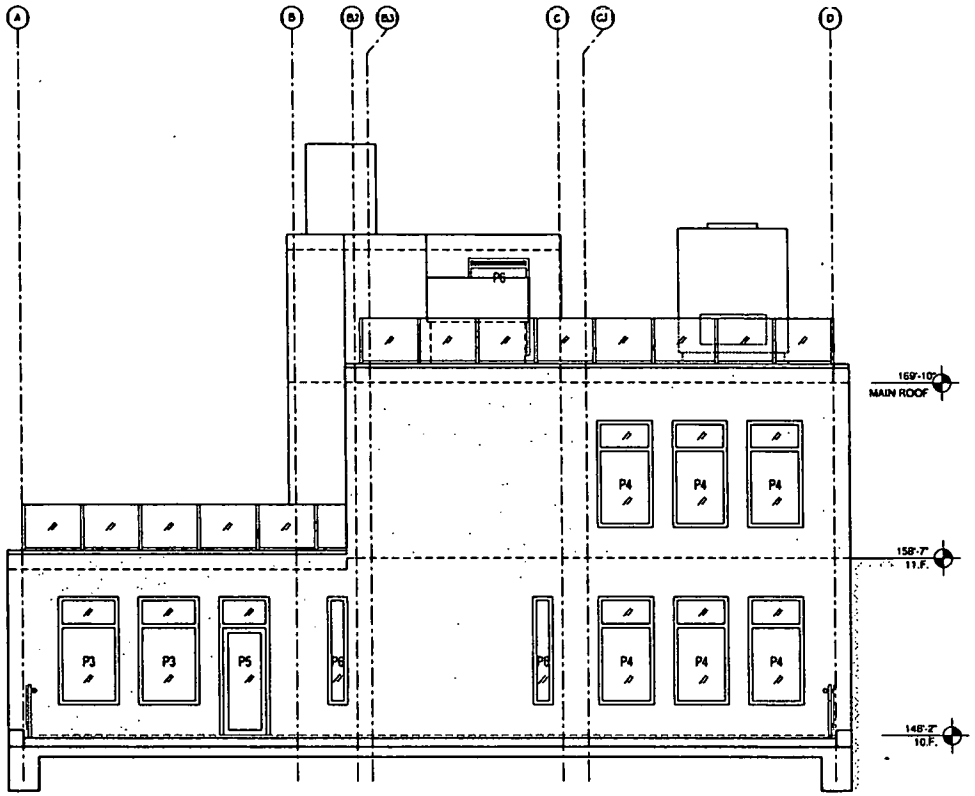
CONSTRUCTION CONSULTING ASSOC
CODE CONSULTANTS (212) 385-1518
100 CHURCH STREET NEW YORK, NY 10007

INTELL (212) 713-6000
MANAGEMENT & INVESTMENT COMPANY
225 WEST 86TH STREET NEW YORK, NY 10024

15 WEST 20 STREET
NEW YORK , NY

SETBACK ELEVATIONS

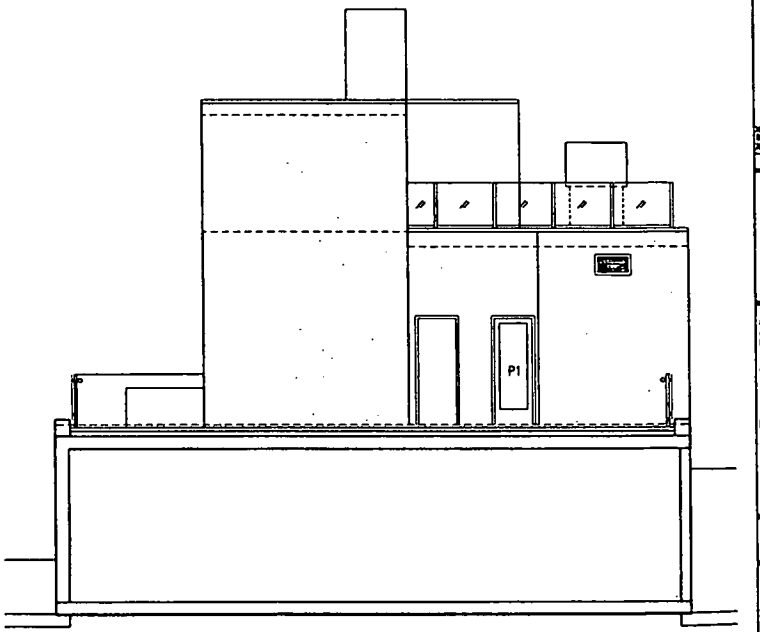
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Date:	
Drawn by:	
AKM Proj: 3404	A-302



SOUTH ELEVATION/ SECTION THRU
10TH FLOOR TERRACE LOOKING NORTH

D

1/4"=1'-0"



WEST SETBACK ELEVATION
11TH FLOOR TERRACE LOOKING EAST

F

1/4"=1'-0"

29 NOV 2004	REVISED AS PER COMMENTS
8 NOV 2004	REVISED PLAN
29 OCT 2004	PRELIMINARY
Date	Issue/Revision

AVINASH K. MALHOTRA ARCHITECTS
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STRUCTURAL ENGINEERS (212) 532-2211
18 WEST 18TH STREET NEW YORK, NY 10011

CONSTRUCTION CONSULTING ASSOC
CODE CONSULTANTS (212) 385-1818
100 CHURCH STREET NEW YORK, NY 10007

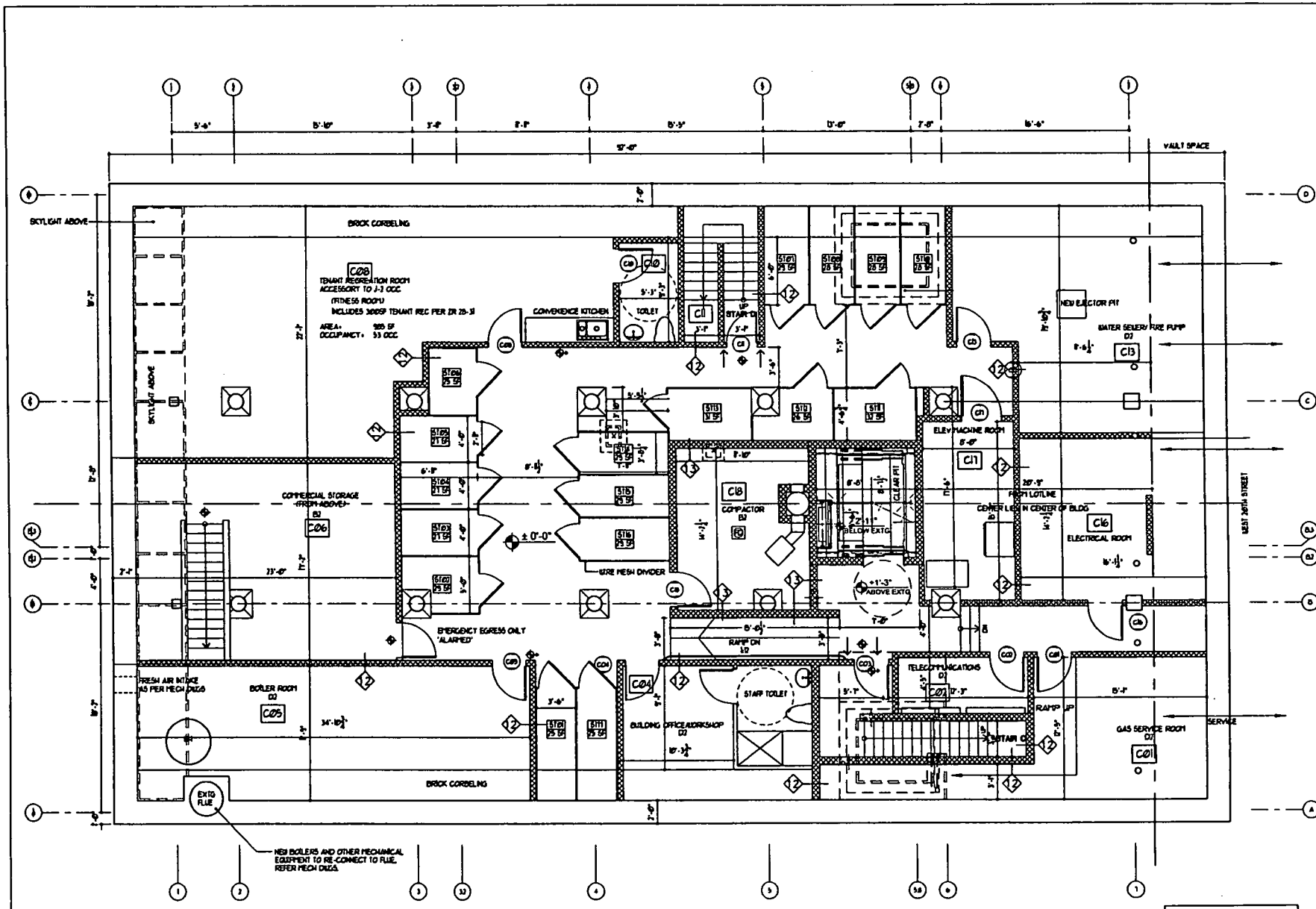
INTELL (212) 712-6000
MANAGEMENT & INVESTMENT COMPANY
225 WEST 86TH STREET NEW YORK, NY 10024

15 WEST 20 STREET
NEW YORK , NY

SETBACK ELEVATIONS

Scale: As noted Drawing No:
Date:
Drawn by:
AKM Proj: 304

A-303



1	DEC 2006	ADDED NOTES ABOUT EXTG FLUE
A	NOV 2006	REVISED AS PER DOB COMMENTS
B	NOV 2006	REVISED AS PER DOB COMMENTS
C	NOV 2006	REVISED PLANS
D	OCT 2006	REVISED LAYOUT
E	OCT 2006	REVISED TENANT STORAGE
F	OCT 2006	ADD RAMP REVISED LAYOUT
G	SEPT 2006	CO. INCORP. PARC MECH. PERMIT
H	AUG 2006	REVISED AS PER COMMENTS
I	JUL 2006	PRELIMINARY
J	JUL 2006	PRELIMINARY
K	JUL 2006	PRELIMINARY
Date		Issue/Revision

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15 WEST 18TH STREET NEW YORK, NY 10011

CONSTRUCTION CONSULTING ASSOC
CODE CONSULTANTS (212) 385-1515
100 CHURCH STREET NEW YORK, NY 10007

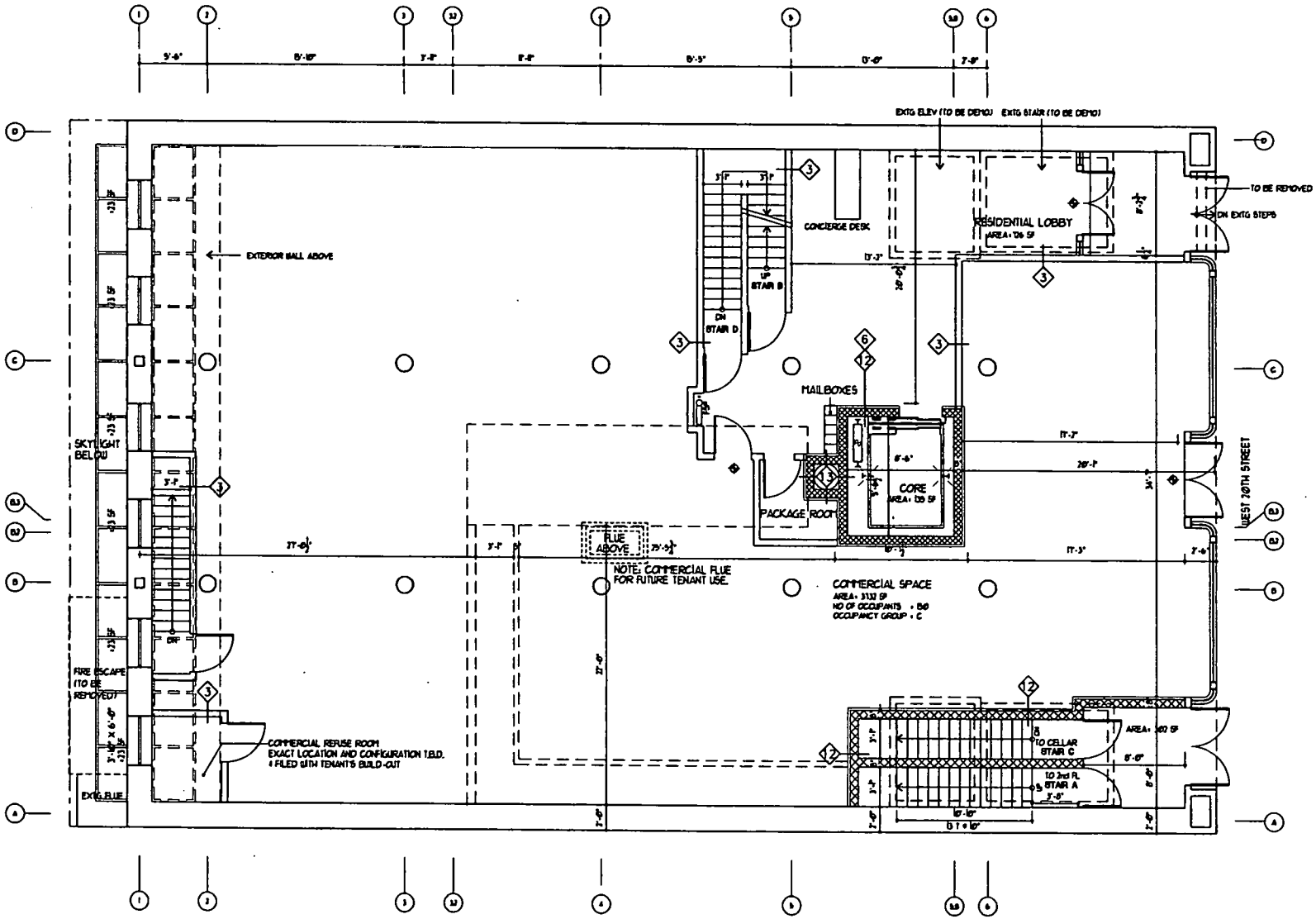
INTELL (212) 712-6000
MANAGEMENT & INVESTMENT COMPANY
225 WEST 86TH STREET NEW YORK, NY 10024

15 WEST 20 STREET
NEW YORK , NY

CELLAR FLOOR PLAN

Scale: As noted Drawing No:
Date:
Drawn by:
AKM Proj: 3404

A-101



Date	Issue/Revision
12 DEC 2006	ADDED COPY REPAIR ROOM
08 DEC 2006	REVISED
28 NOV 2006	REVISED AS PER DOB COMMENTS
2 NOV 2006	REVISED PLAN
15 OCT 2006	REVISED PLAN
25 OCT 2006	REVISED AS PER OCCUPIED OBJECTIONS
23 OCT 2006	REVISED STAIR
23 SEPT 2006	
8 AUG 2006	REVISED AS PER COMMENTS
6 AUG 2006	DOB FILING
4 AUG 2006	PRELIMINARY
21 JULY 2006	PRELIMINARY
24 JULY 2006	PRELIMINARY

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15 WEST 18TH STREET NEW YORK, NY 10011

CONSTRUCTION CONSULTING ASSOC
CODE CONSULTANTS (212) 385-1818
100 CHURCH STREET NEW YORK, NY 10007

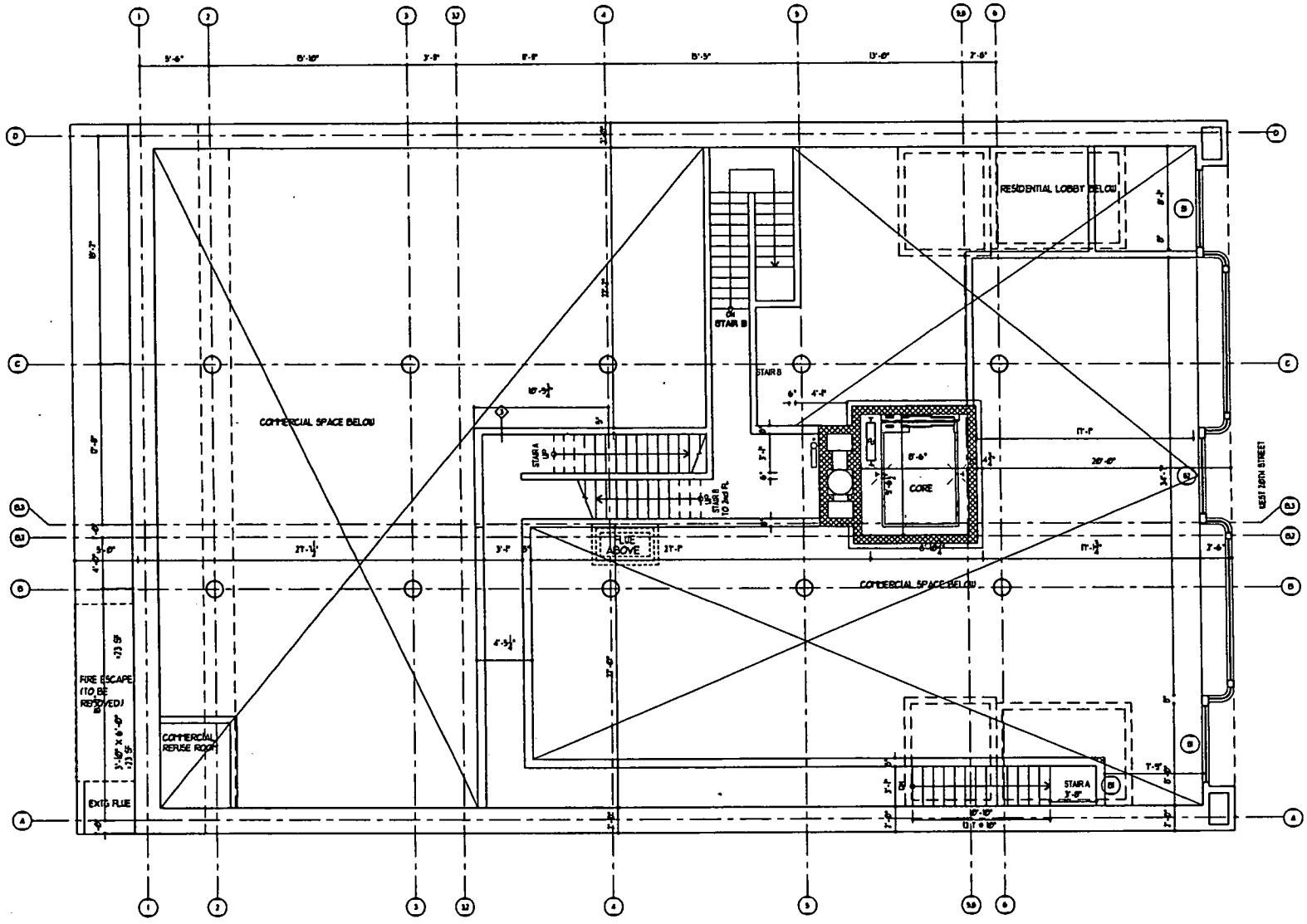
INTELL (212) 712-4000
MANAGEMENT & INVESTMENT COMPANY
225 WEST 86TH STREET NEW YORK, NY 10024

15 WEST 20 STREET
NEW YORK , NY

FIRST FLOOR PLAN

Scale: As noted Drawing No.:
Date:
Drawn by:
AKM Proj: 3404

A-102



1. ALL FLOORS TO BE FULLY SPRINKLERED.
2. ALL STAIR DOORS NO BE 1 1/2 HR RTNG.

12 DEC 2004	ADDED COMM REFUSE ROOM
10 DEC 2004	REVISED
9 NOV 2004	RE-RECORDING
7 SEPT 2004	
5 AUG 2004	DOB FILING REVISION
4 AUG 2004	FIRST PRIVATE
3 JULY 2004	FIRST PRIVATE
2a JULY 2004	FIRST PRIVATE
Date	Issues/Revisions

AVINASH K. MALHOTRA ARCHITECTS
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148 WEST 24TH STREET NEW YORK, NY 10011

ATHWAL AND ASSOCIATES, INC
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STRUCTURAL ENGINEERS (212) 532-2211
18 WEST 18TH STREET NEW YORK, NY 10011

CONSTRUCTION CONSULTING ASSOC
CODE CONSULTANTS (212) 385-1818
100 CHURCH STREET NEW YORK, NY 10007

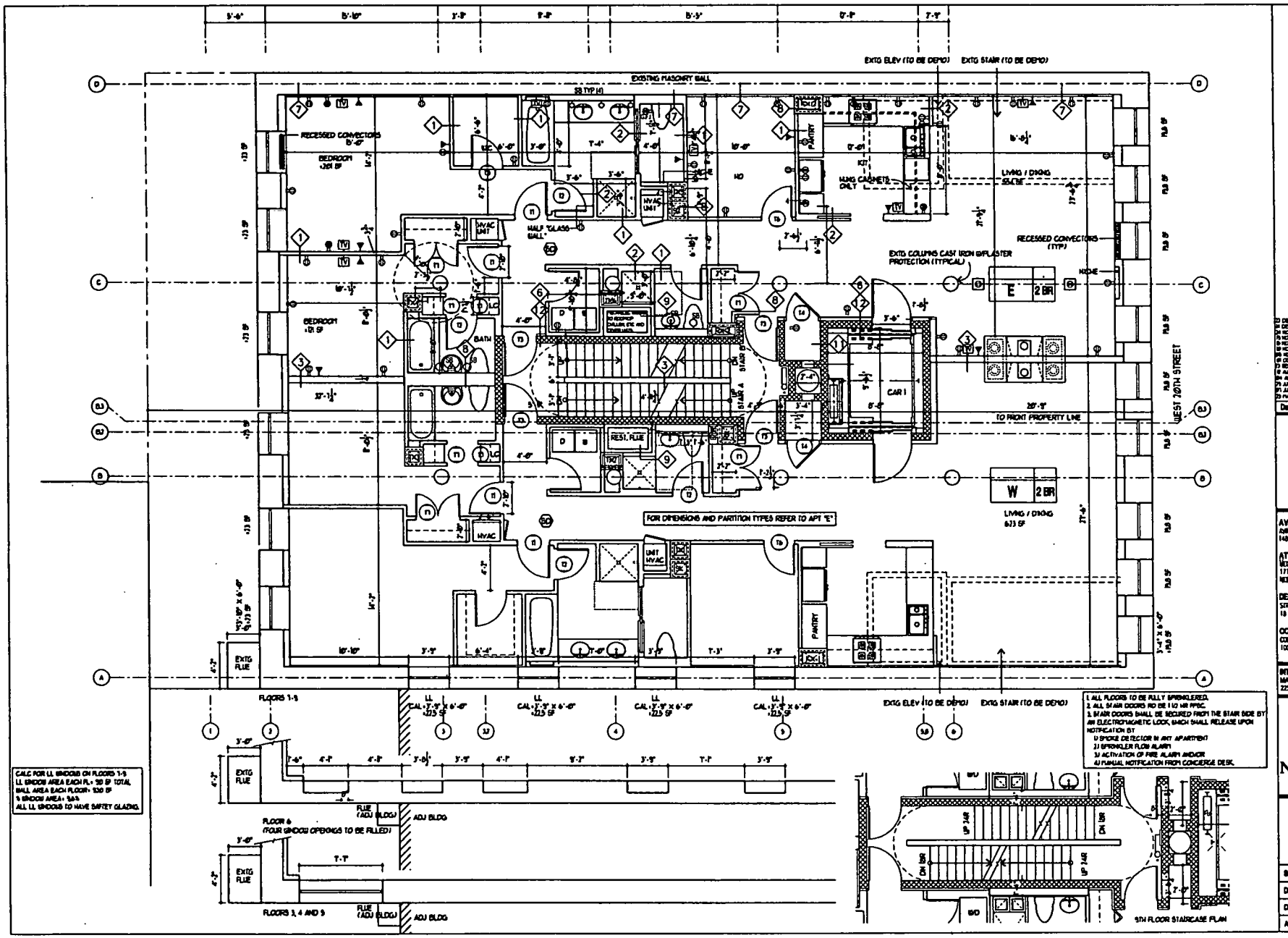
INTELL (212) 712-6000
MANAGEMENT & INVESTMENT COMPANY
225 WEST 86TH STREET NEW YORK, NY 10024

15 WEST 20 STREET
NEW YORK , NY

MEZZANINE/STAIR TRANSFER LEVEL

Scale: as noted Drawing No:
Date:
Drawn by:
AKM Proj: 304

A-103



CALC FOR LL WINDOWS ON FLOORS 1-5
LL WINDOW AREA EACH FL = 30 SF TOTAL
WALL AREA EACH FLOOR= 530 SF
% WINDOW AREA = 5.6%
ALL LL WINDOWS TO HAVE SAFETY GLAZING

1. ALL FLOORS TO BE FULLY SPRINKLERED.
2. ALL STAIR DOORS RD BE I HR RTD.
3. STAIR DOORS SHALL BE SECURED FROM THE STAIR SIDE BY AN ELECTROMAGNETIC LOCK, WHICH SHALL RELEASE UPON NOTIFICATION BY
   1) SMOKE DETECTOR IN ANY APARTMENT
   2) SPRINKLER FLOW ALARM
   3) ACTIVATION OF FIRE ALARM AND/OR
   4) MANUAL NOTIFICATION FROM CONCIERGE DESK.

Date	Issue/Revision
	ADDED CAL FOR LL WINDOW
	REVISED
	REVISED ADDED DUCTS
	REVISED PLANS
	REVISED PLANS
	REVISED LAUNDRY ROOM
	REVISED 5TH FLOOR STAIR
	REVISED SUPERIMPOSED STAIR
	ADD FACADE PANEL FINISH NOTE
	ADD PLENUM WIRE
	PRELIMINARY
	PRELIMINARY

AVINASH K. MALHOTRA ARCHITECTS
AVINASH K. MALHOTRA AIA (212) 808-0000
140 WEST 24TH STREET NEW YORK, NY 10011

ATHWAL AND ASSOCIATES, INC
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171 MADISON AVE, SUITE 309
NEW YORK, NY 10016

DESIMONE CONSULTING ENGINEERS
STRUCTURAL ENGINEERS (212) 532-2211
18 WEST 18TH STREET NEW YORK, NY 10011

CONSTRUCTION CONSULTING ASSOC
CODE CONSULTANTS (212) 385-1818
100 CHURCH STREET NEW YORK, NY 10007

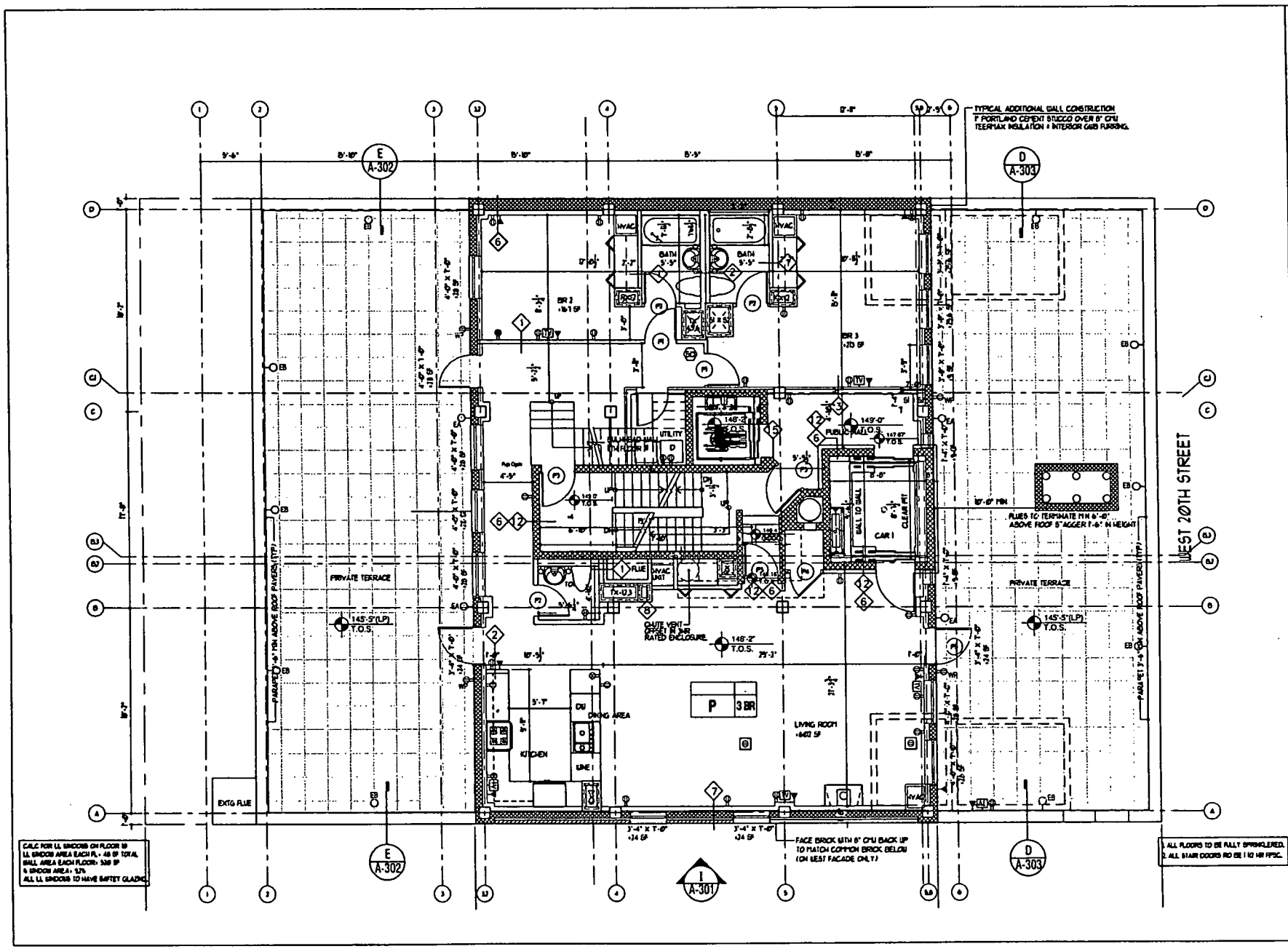
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MANAGEMENT & INVESTMENT COMPANY
225 WEST 86TH STREET NEW YORK, NY 10024

15 WEST 20 STREET
NEW YORK , NY

TYPICAL FLOOR PLAN
FLOORS 2-9

Scale: As noted Drawing No:
Date:
Drawn by:
AKM Proj: 304

A-104



Date	Issue/Revision
2 DEC 2004	ADDED CAL FOR LL WINDOWS
15 NOV 2004	REVISED
8 NOV 2004	REVISED
2 NOV 2004	REVISED PLANS
29 SEP 2004	
8 AUG 2004	DOB PLANCHECKED
4 AUG 2004	
28 JULY 2004	REVISED DRAWINGS
21 JULY 2004	PRELIMINARY
14 JULY 2004	INITIAL REVISED
23 JUNE 2004	PRELIMINARY
7 MAY 2004	PRELIMINARY

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171 MADISON AVE, SUITE 308
NEW YORK, NY 10016

DESIMONE CONSULTING ENGINEERS
STRUCTURAL ENGINEERS (212) 532-2211
18 WEST 18TH STREET NEW YORK, NY 10011

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CODE CONSULTANTS (212) 385-1818
100 CHURCH STREET NEW YORK, NY 10007

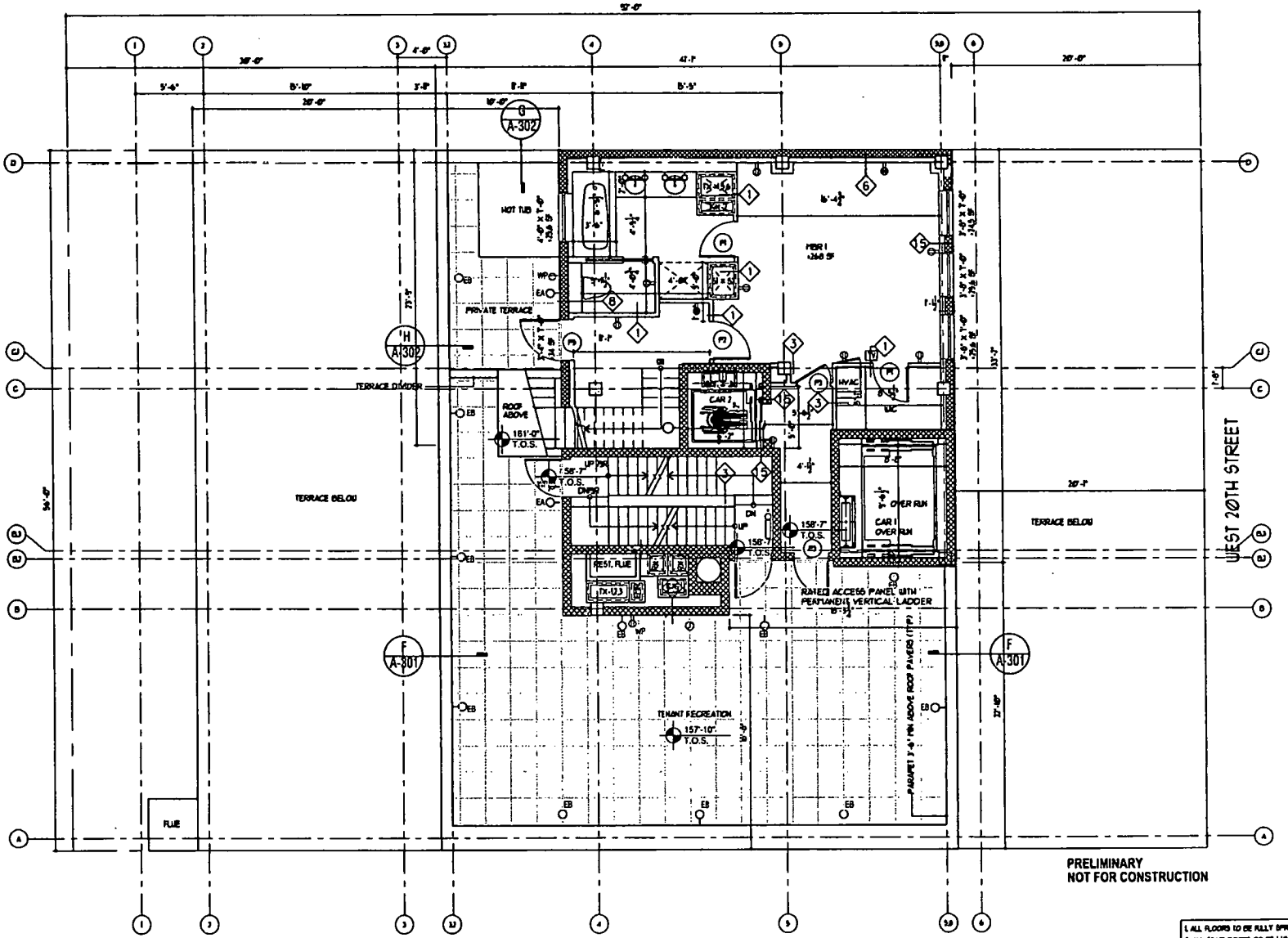
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10TH FLOOR PLAN

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Date:
Drawn by:
AKM Proj. 304

A-105



PRELIMINARY
NOT FOR CONSTRUCTION

1. ALL FLOORS TO BE FULLY SPRINKLERED.
2. ALL STAIR DOORS RD BE 1 1/2 HR RTNG.

Date	Issue/Revision
8 DEC 2006	ISSUED
7 NOV 2006	ISSUED FOR DOB COMMENTS
6 OCT 2006	ISSUED
5 SEP 2006	DOB RECEIPT PRC PECH REVS
4 AUG 2006	DOB RESUBMISSION
3 AUG 2006	REVISED DRAWINGS
2 JUL 2006	FIELD COMMENTS
1 JUL 2006	INITIAL SUBMISSION
31 MAY 2006	FIELD SURVEY
25 MAY 2006	FIELD SURVEY

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DESIMONE CONSULTING ENGINEERS
STRUCTURAL ENGINEERS (212) 532-2211
18 WEST 18TH STREET NEW YORK, NY 10011

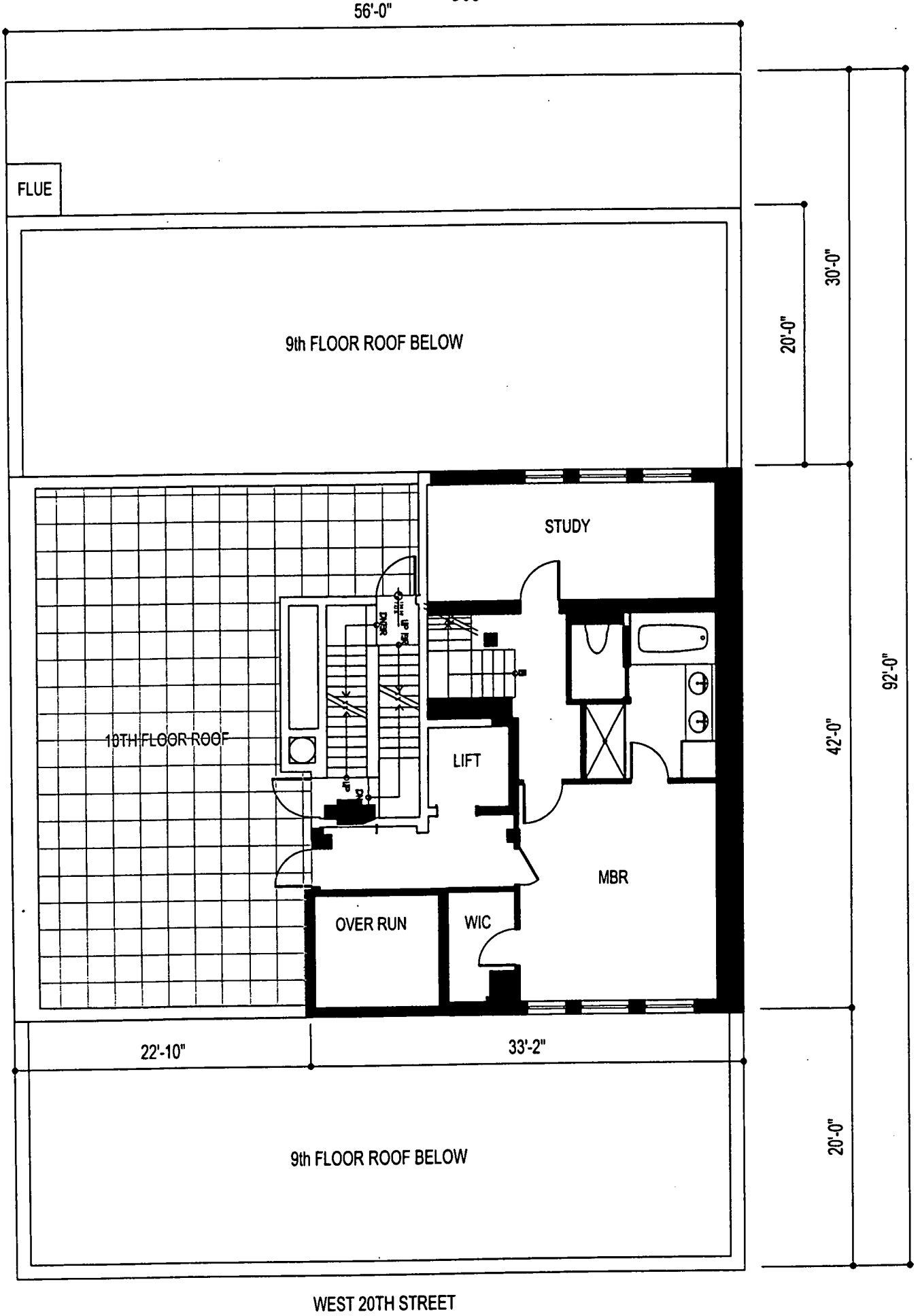
CONSTRUCTION CONSULTING ASSOC
COST CONSULTANTS (212) 385-1618
100 CHURCH STREET NEW YORK, NY 10007

INTELL (212) 712-6000
MANAGEMENT & INVESTMENT COMPANY
225 WEST 86TH STREET NEW YORK, NY 10024

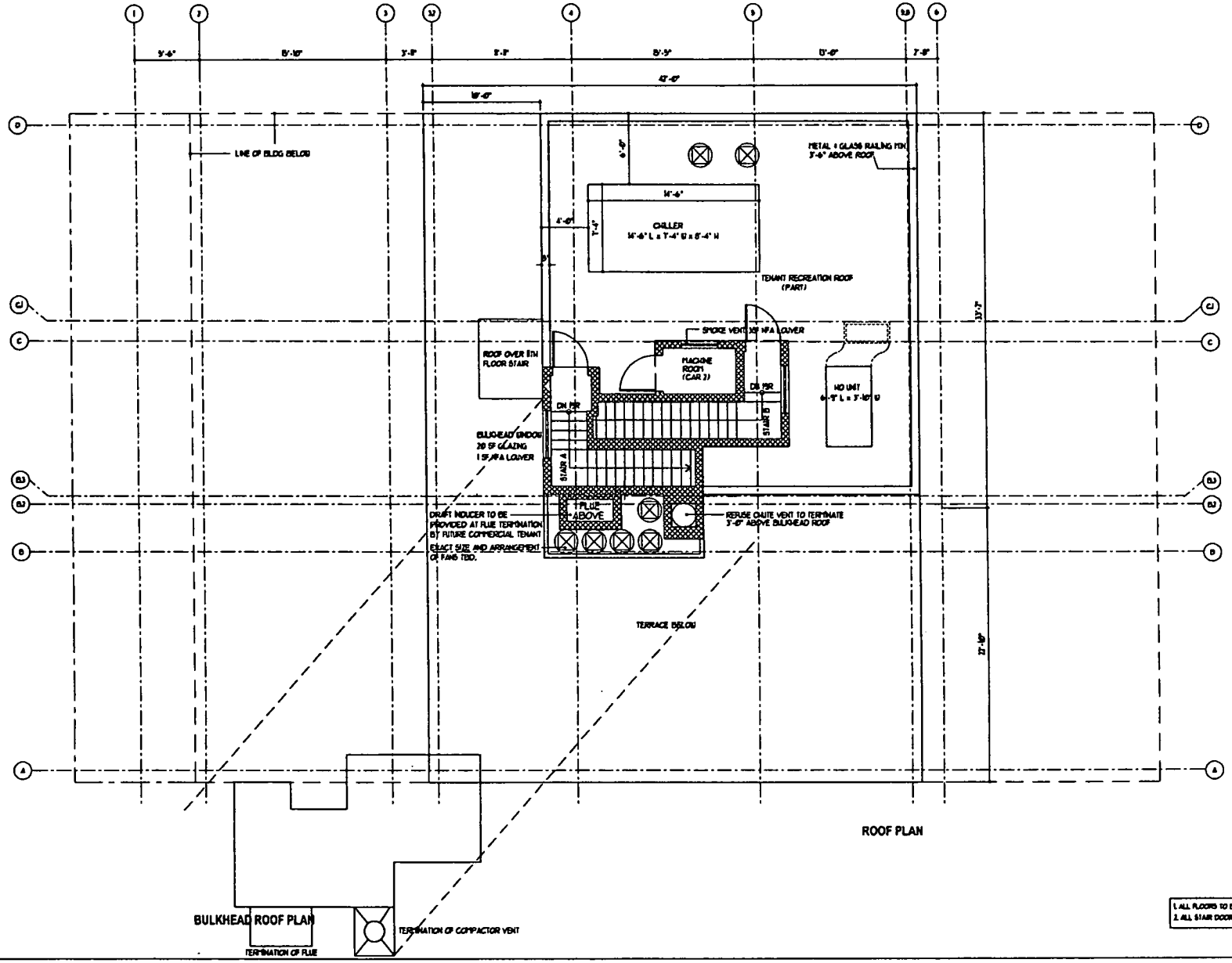
15 WEST 20 STREET
NEW YORK , NY

11TH FLOOR PLAN

Scale: As noted Drawing No:
Date:
Drawn by:
AKM Proj: 304 **A-106**



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Date	Issue/Revision
28 NOV 2004	REVISED AS PER DOB COMMENTS
5 NOV 2004	REVISED FILING
25 SEPT 2004	DOB TECHP FINAL FINISH ITEMS
2 AUG 2004	DOB FILING/REVISED
4 JUNE 2004	PRELIMINARY
2 JULY 2004	PRELIMINARY

AVINASH K. MALHOTRA ARCHITECTS
AVINASH K. MALHOTRA AIA (212) 505-0000
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NEW YORK, NY 10016

DESIMONE CONSULTING ENGINEERS
STRUCTURAL ENGINEERS (212) 532-2211
18 WEST 18TH STREET NEW YORK, NY 10011

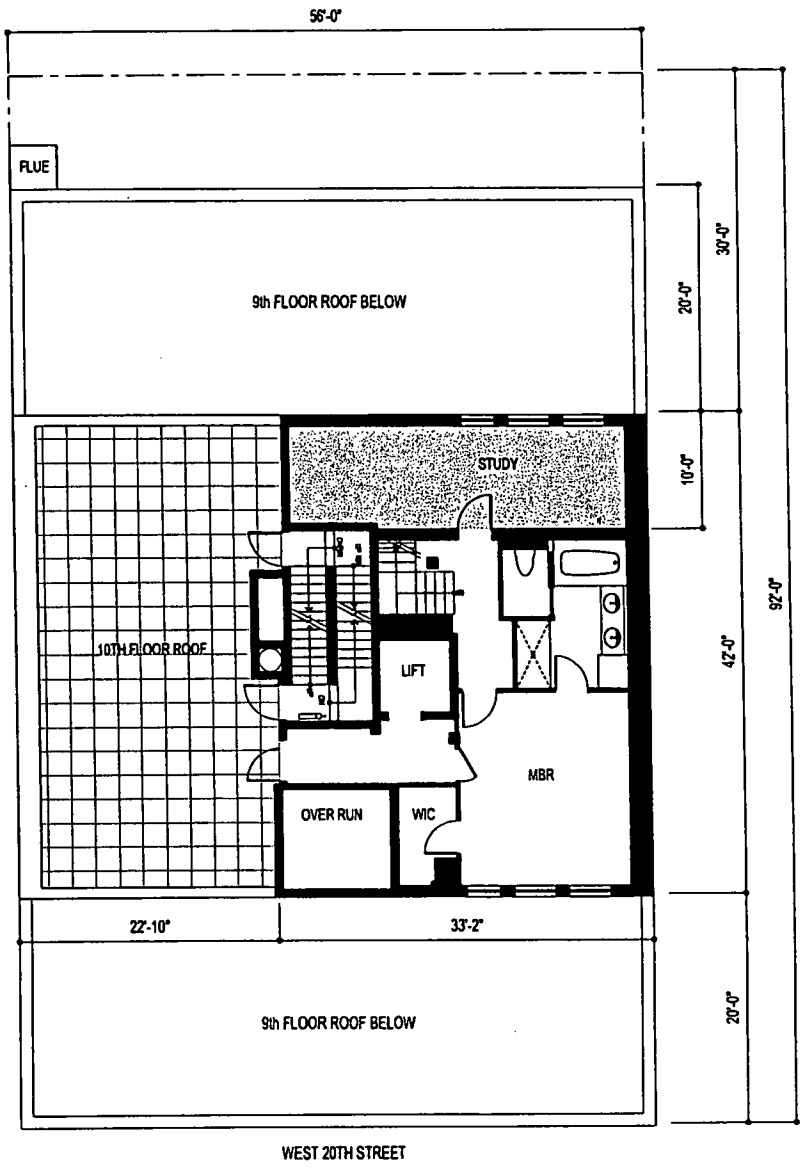
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100 CHURCH STREET NEW YORK, NY 10007

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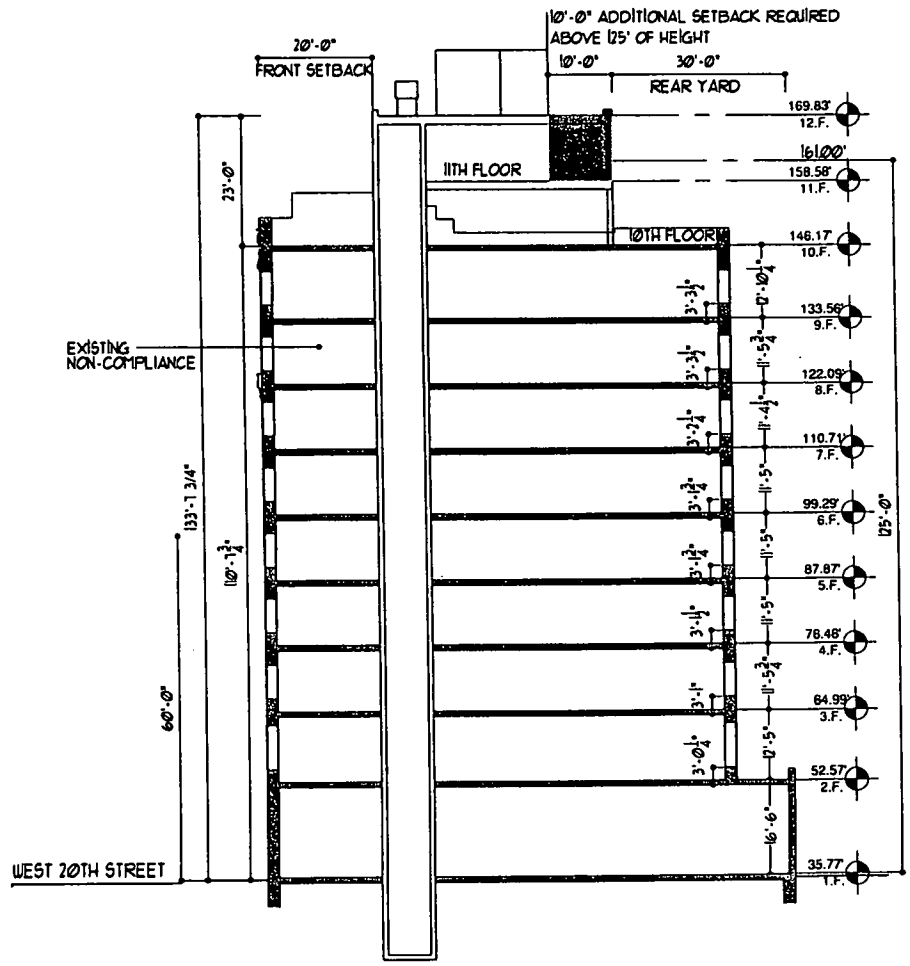
15 WEST 20 STREET
NEW YORK , NY

ROOF PLAN

Scale: As noted Drawing No.:
Date:
Drawn by:
AKM Proj. 304 **A-107**



1 IITH FLOOR PLAN(AS PER VARIANCE)
3/16"=1'-0"



2 SECTION
3/32"=1'-0"

NOTE: ELEVATIONS ARE FOR ILLUSTRATIVE PURPOSES ONLY.

Date Issue/Revision

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225 WEST 86TH STREET NEW YORK, NY 10024

15 WEST 20 STREET
NEW YORK , NY

COMPOSITE
REAR ELEVATION

Scale: As noted Drawing No.:
Date:
Drawn by:
AKM Proj: 364

CP-6

EXHIBIT "7"

CONDOMINIUM DECLARATION

DECLARATION
Establishing a Plan for Condominium Ownership
of the Premises known as
15 West 20th Street
New York, New York 10011

Pursuant to Article 9-B of the Real Property
Law of the State of New York
Name
Altair 20
Declarant
Strategic Chelsea LLC
800 Third Avenue
New York, New York 10022

Date of Declaration

The land affected by the within instrument lies in
Section 3, Block 822 formerly known as Lot 25,
now known as Lots ____ - ____
on the Tax Map of the Borough of Manhattan, City of New York

Stroock & Stroock & Lavan LLP
Attorneys for Declarant
180 Maiden Lane
New York, New York 10038
(212) 806-5400

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Exhibits

A. Description of the Land
B. Description of the Units
C. Definitions
D. By-Laws
E. Power of Attorney

DECLARATION
OF
ALTAIR 20

(Pursuant to Article 9-B of the Real Property Law
of the State of New York)

Strategic Chelsea LLC, a Delaware limited liability company, having an office at 800 Third Avenue, New York, New York 10022 ("Declarant"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this declaration (hereinafter referred to as the "Declaration") that are not otherwise defined in the Articles hereof will have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used will otherwise require.

ARTICLE 2

SUBMISSION OF THE PROPERTY

2.1 Declarant hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") and pursuant thereto does hereby establish a condominium to be known as "Altair 20" (the "Condominium").

2.2 Excluded from the Property are that portion of the unused floor area development rights that are now owned, are subsequently acquired or that may become available under the Zoning Resolution of the City of New York (the "Development Rights") which shall be initially retained by Declarant, which Development Rights may be utilized by Declarant or any party acquiring same from Declarant (the Development Rights Purchaser").

2.3 Attached to this Declaration and made a part hereof are the by-laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said by-laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

ARTICLE 3

THE LAND

Included in the Property described in Article 2 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the City, County and State of New York, and more particularly described in Exhibit A annexed hereto and made a part hereof. The Land is owned by Declarant in fee simple absolute. The Land has an area of approximately 5,152 square feet.

ARTICLE 4

THE PROPERTY

Included in the Property described in Article 2 is a building (the "Building") consisting of one (1) commercial unit located on portions of the Cellar and Ground Floor ("the Commercial Unit"), and seventeen (17) residential units (collectively, the "Residential Units" and individually, a "Residential Unit"). The Commercial Unit and the Residential Units are sometimes hereinafter collectively referred to as the "Units" and individually as a "Unit." The Residential Units, together with the Residential Common Elements and the Residential Limited Common Elements (as hereinafter defined), are collectively referred to as the "Residential Section." The Commercial Unit together with the Commercial Common Elements (as hereinafter defined) are collectively referred to as the "Commercial Section." The owner of a Residential Unit is herein called a "Residential Unit Owner" and all the owners of the Residential Units are herein collectively called the "Residential Unit Owners." The owner of the Commercial Unit at any time, or its designee, is herein called the "Commercial Unit Owner" and to the extent the Commercial Unit is divided each of the owners of the Commercial Units shall collectively be called the "Commercial Unit Owners." The Residential Unit Owners and the Commercial Unit Owner are collectively referred to herein as the "Unit Owners" and individually as a "Unit Owner." The Commercial Unit may be used for any lawful uses.

ARTICLE 5

THE BUILDING

The Building consists of one Class I-D building, having eleven (11) stories above grade, rising to an elevation of approximately 134 feet above curb level to the main roof plus bulkheads. The Building is constructed of brick and stone masonry and interior cast iron and steel columns. Perimeter walls are load bearing. Floors are steel framed with beams and girders, and floor framing is overlaid with wood sleepers (the voids are filled with cinder concrete fill); the Building also contains steel framing with light concrete slab on metal deck. The floors in the Building are named (from bottom to top): Cellar, Ground Floor and Floors 2 through 11. The Commercial Unit occupies portions of the Cellar and Ground Floor.

The Building is located in the Ladies Mile Historic District.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its Unit designation; (ii) tax lot number; (iii) approximate location in the Building; (iv) approximate square foot area; (v) number of rooms; and (vi) the percentage interest in the General Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Building (the "Floor Plans") certified by _____, and intended to be approved by the Real Property Assessment Department of the City of New York and filed in the New York County office of the Register of the City of New York (the "City Register's Office") following the recording of this Declaration.

6.2 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other entrance doors to such Unit, windows, skylights and green house additions, if any, and the related installations with respect thereto, non-bearing interior walls and partitions (including sheet rock), moldings, smoke and carbon monoxide detectors, all plumbing, gas and heating fixtures and equipment such as heating, ventilating and air conditioning ("HVAC") units (including the fans inside the units and bath liners and shower pans, if any), heating equipment, ranges and other appliances, flooring and wall coverings, as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include (i) all lighting and electrical fixtures, cabinets, including, without limitation kitchen and bathroom cabinetry, countertops, and appliances within the Unit, and (vii) any special equipment, fixtures or Facilities (as hereinafter defined) affixed, attached or appurtenant to the Unit, or betterments and improvements installed by a Unit Owner other than Declarant, to the extent located within a Unit and serving or benefiting only that Unit including, but not limited to, any freight elevators or freight entrances servicing a Commercial Unit. Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural integrity and mechanical and electrical systems of such Unit or of the Building.

6.3 Each Commercial Unit will include all escalators, the elevator, stairs, if any, and all related Facilities exclusively serving that Commercial Unit including outdoor Signs for the Commercial Unit.

6.4 As of the date of the filing of this Declaration with the City Register's Office, fee simple absolute title shall automatically vest in Declarant in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

DIMENSIONS OF UNITS

Each Unit will be measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from the measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, the elevator and other mechanical equipment spaces or any Common Elements (as hereinafter defined); or to the Unit side of the opposite exterior walls. Each Unit will consist of the area measured vertically from the lowest concrete floor of the Unit to the underside of the highest ceiling of the Unit.

ARTICLE 8

COMMON ELEMENTS

8.1 The common elements of the Condominium (the "Common Elements") consist of the General Common Elements and the Limited Common Elements. The General Common Elements include, but not are not limited to the Land and all parts of the Building and improvements thereon other than the Units and the Limited Common Elements and include those rooms, areas, corridors, spaces and other parts of the Building and all Facilities (defined below) therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, Maintenance or safety of the Property. The Limited Common Elements of the Condominium consist of those Common Elements that serve or benefit exclusively (a) the Residential Units or the Residential Unit Owners (in which event they are called "Residential Common Elements"), (b) one or more but not all of the Residential Units or the Residential Unit Owners (in which event they are called "Residential Limited Common Elements"), or (c) the Commercial Unit or the Commercial Unit Owner (in which event they are called "Commercial Common Elements. The General Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the General Common Elements. The General Common Elements are for the common use of all Unit Owners. The Common Elements do not include any air or development rights, the rights to which shall be retained by the Declarant.

8.2 As used in this Declaration, the word "Facility" or "Facilities" means all equipment and facilities necessary for the operation of the Building or its systems and includes, but is not limited to, the following items (grouped more or less functionally) which are set forth only for purposes of illustrating the broad scope of that term: system, equipment, apparatus, convertor, radiator, heater, convertor, heat exchanger, mechanism, device, machinery, motor, pump, control, tank or tank assembly, insulation, induction unit, condenser, compressor, fan, damper, blower, thermostat, thermometer, coil, vent, sensor, shut-off valve or other valve, gong,

panel, receptacle, outlet, relay, alarm, sprinkler head, electric distribution facility, wiring, wireway, switch, switchboard, circuit breaker, transformer, fitting, siamese connection, hose, plumbing fixture, lighting fixture, other fixture, bulb, Sign, telephone, meter, meter assembly, scaffolding, piping, line, duct, conduit, cable, riser, main shaft, pit, flue, lock or other hardware, rack, screen, strainer, trap, drain, catch basin, leader, filter, canopy, incinerator, closet, door, railing, coping, step, appurtenance, urn, basket, mail box, carpeting, tile or other floor covering, wallpaper or other wall covering, tree, shrubbery, flower or other planting and horticulture tub or box.

8.3 The Common Elements will remain undivided and no Unit Owner or other person will bring or will have the right to bring any action for partition or division thereof except as may be specifically provided for herein and in the By-Laws.

8.4 The General Common Elements consist of the following:

8.4.1 The Land (as more particularly described in Exhibit A attached to this Declaration), together with all easements, rights and privileges appurtenant thereto.

8.4.2 Any of the following: all sidewalks, foundations, footings, columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls, (except to the extent included in Sections 8.5 or 8.6), together with those portions of the exterior walls of the Building beyond the Commercial and Residential Unit side of the glass or concealed block work or concealed structural members of those walls.

8.4.3 Central and appurtenant Facilities for services such as heating, cooling venting, air-conditioning, communications, security, lighting, plumbing, electrical work, fire safety which are not located within the Commercial Unit and which exclusively serve the Commercial Unit or exclusively serve the Commercial Unit and the Residential Section, including, without limitation, the boiler flue and exhaust vents exclusively serving the Commercial Unit.

8.4.4 The rooms and Facilities located as follows: electric room, Con Edison room, and telephone room, pump room, toilette, sink and janitor's sink, mechanical equipment room, all located on the Cellar level; and the water treatment equipment room, the water tower and pump, and related Facilities located on the roof.

8.4.5 Any other Facilities in the Building which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of all of the Commercial Section and the Residential Section and are not a part of any Unit, Residential Common Elements, Commercial Common Elements or any Limited Common Element.

8.5 The Residential Common Elements consist of the following:

8.5.1 Any of the following: all columns, girders, floor slabs and ceilings, beams, and supports, exterior walls and load bearing interior walls (including those within each Unit exclusive of sheet rock or plaster coats or any wall coverings or decorations thereon) and interior load bearing walls from above the slab over the Ground Floor of the Building to the roof (except as otherwise provided in Section 8.4).

8.5.2 Residential electric meters and panels, electric closets, feeders, risers and Facilities, Residential gas meter and direct burial telephone cables serving exclusively the Residential Section.

8.5.3 Kitchen, bathroom and dryer exhaust ducts, corridor and Residential Unit supply air ducts, steam lines supply and return for heating, water pressure reducing valve system, and all other Facilities in the floor and ceilings serving or benefiting exclusively the Residential Section.

8.5.4 CATV riser and all other Facilities located in the Property serving or benefiting exclusively the Residential Section to the extent that the same are not owned by a third party.

8.5.5 The rooms and Facilities located as follows: residential telephone room, residential storage room, community room/exercise facility, pump room, residential refuse room and refuse chute located in the Cellar; service/passenger elevator, No. 1 its shaft, pit, machine room and Facilities serving the Cellar through 11th Floor; passenger elevator No. 2, its shaft, pit, and Facilities serving as a shuttle to the 10th and 11th Floors, the mechanical equipment rooms and areas and the elevator machine rooms located on the roof; the residential lobbies, mailboxes, concierge station.

8.5.6 All passages, hallways, stairs and corridors, all mechanical space and all other rooms, areas, spaces and other parts of the Building which are not Residential Units, Residential Limited Common Elements or part of the Commercial Unit, Commercial Common Elements, or General Common Elements.

8.5.7 Fire staircase No. 1 and its landings and stairs from the landing on the First Floor to the roof and fire staircase No. 2 and its landings and stairs from the Cellar to the roof.

8.5.8 The recreation areas over the 10th Floor roof and over the 11th Floor roof.

8.5.9 The windows in the Residential Section that do not exclusively open into a an individual Residential Unit.

8.5.10 The chiller on the roof servicing the Residential Units.

8.5.11 All other Facilities exclusively serving the Residential Section, excluding the Residential Units, the Residential Limited Common Elements, the Commercial Common Elements, and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of the Residential Section.

8.5.12 Notwithstanding anything to the contrary in this Article 8, if a Residential Common Element benefits only certain Residential Unit Owners, then the Residential Section's costs of alteration, addition, repair, replacement and restoration thereto shall be borne solely by those Residential Unit Owners who benefit from the Residential Common Element in the proportion that the Common Interest of each benefiting Residential Unit Owner bears to the Common Interests of all benefiting Residential Unit Owners. In addition, except as otherwise

provided in Subsection 6.9.2.1 of the By-Laws, such Residential Unit Owners shall be responsible for the normal operation and Maintenance of any such Residential Common Element at their sole cost and expense.

8.6 The Residential Limited Common Elements consist of the following:

8.6.1 The Terraces to which one or more Residential Units have access as set forth in Exhibit B annexed hereto. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, where a Terrace is a Residential Limited Common Element appurtenant to a Residential Unit, the Residential Unit Owner thereof shall have the exclusive right to use such Terrace subject to rights of the Board to regulate its use and to access the Terrace for maintenance, repair and replacement and other uses.

8.6.2 Fireplace flues serving one or more Residential Units.

8.6.3 That portion of equipment, fixtures or Facilities serving or benefiting one Residential Unit, to the extent located within another Unit or within a Common Element to which there is direct and exclusive access from the interior of a Residential Unit. Notwithstanding anything to the contrary contained in the By-Laws or this Declaration, the Residential Unit Owner who is so served or benefited by such Residential Limited Common Element shall have the exclusive right to use such Residential Limited Common Element and shall be responsible for its normal operation, maintenance and repair at such Unit Owner's sole cost and expense.

8.6.4 All other Facilities exclusively serving one or more but not all Residential Units, excluding the Residential Units, the Residential Common Elements, the Commercial Common Elements, and the General Common Elements, and which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of one or more but not all of the Residential Units.

8.7 The Commercial Common Elements consist of the following:

8.7.1 Any of the following: all columns, girders, floor slabs and ceilings, beams, and supports and interior load bearing walls located within any Commercial Unit or separating a Commercial Unit from a Residential Unit or a Residential Common Element.

8.7.2 Commercial electric meter, separate cold water meter, gas meter and other utility meters (if any) and Cellar storage serving or available for the exclusive use of the Commercial Section.

8.7.3 Ductwork, and all other HVAC and electric and similar Facilities serving or benefiting exclusively the Commercial Section.

8.7.4 All windows in the Commercial Section other than windows which are part of the Commercial Unit.

8.7.5 All remaining Facilities exclusively serving the Commercial Unit, excluding the Commercial Unit, the Residential Common Elements, the Residential Limited

Common Elements and the General Common Elements, which serve or benefit or are necessary or convenient for the existence, Maintenance, operation or safety of the Commercial Unit.

ARTICLE 9

USE OF BUILDING AND UNITS

9.1 Except as more particularly set forth in this Declaration or the By-Laws, Residential Units may be used for residential purposes only. Any Residential Unit may be used for professional purposes, or for any other lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for such Residential Unit, (2) applicable Law, (3) the use of such Residential Unit not adversely affecting the use and enjoyment of neighboring or adjacent Residential Units for residential purposes, (4) compliance with the By-Laws and (5) the prior written permission of the Condominium Board, which permission shall in no event be granted unless the Condominium Board affirmatively finds that the conditions in (1) through (3) above have been met. An home office use hereunder shall only be accessory to the residential use of the Residential Unit. No clients or business invitees shall be permitted to visit a home office and no Signs shall be allowed in connection with the home office. Residential Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

9.2 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant may, without the permission of the Condominium Board, (1) grant permission for the use of any Unsold Residential Unit (as defined in Exhibit C) owned by it as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for such Residential Unit or any other governmental regulations and (2) use any Unsold Residential Units owned by it as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable Law.

9.3 As more particularly set forth in the By-Laws a Residential Unit may be used for any lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for such Residential Unit, (2) applicable Law, and (3) the use of such Residential Unit not adversely affecting the use and enjoyment of neighboring or adjacent Residential Units for residential purposes. Residential Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

9.4 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant may without the permission of the Condominium Board, (1) grant permission for the use of any Unsold Residential Unit (as defined in Exhibit C) owned by it as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for such Residential Unit or any other governmental regulations and (2) use any Unsold Residential Units owned by it as models and sales and/or promotion offices in connection with the sale or rental of the Units, subject only to compliance with applicable Law.

9.5 The Commercial Unit may be used for any lawful purposes, including, without limitation, garage department and other retail stores and outlets, storage, theaters, banks, restaurants and commercial and professional offices and studios.

9.6 Vault space in the Cellar shall be available for the use of both the Condominium Board and the Commercial Unit Owner as set forth on the Floor Plans and the Condominium Board and the Commercial Unit Owner shall be responsible for vault taxes, if any, imposed as the result of the use of the vault. Routine maintenance and repair of the vaults shall be the responsibility of Condominium Board or the Commercial Unit Owner having exclusive use thereof. However, the costs of any structural repairs, including repairs to the foundations or retaining walls adjacent to the vaults and the closing of the vaults, shall be a Common Expense undertaken by the Condominium Board.

ARTICLE 10

CHANGES IN THE RESIDENTIAL SECTION

Except to the extent prohibited by Law, Declarant or the owner of an Unsold Residential Unit shall have the right, without the vote or consent of the Board, other Unit Owners or the Residential Mortgage Representatives, if any, to: (a) make alterations, additions or improvements to any Unsold Residential Units; (b) change the use (subject to Section 9.2 above) or layout of, or number of rooms in, any Unsold Residential Units from time to time; (c) change the size and/or number of Unsold Residential Units by subdividing one or more Unsold Residential Units into two or more separate Units, combining separate Unsold Residential Units (including those resulting from such subdivision or otherwise) into one or more Residential Units, converting a Residential Unit or any portion thereof to a Residential Common Element, a Residential Limited Common Element a Commercial Unit, or a Commercial Common Element, altering the boundary walls between any Unsold Residential Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Residential Unit) which exclusively benefit an Unsold Residential Unit into such Unit; (d) designate a Unit or a Common Element as part of a newly created or expanded Residential Unit, Residential Limited Common Element, Commercial Unit, Commercial Common Element, or General Common Element or designate all or part of a Residential Unit as a newly created or expanded Commercial Unit, Residential Common Element, Residential Limited Common Element, Commercial Common Element, or General Common Element; and (e) if appropriate, reapportion among the Unsold Residential Units affected by such change in size, use or number pursuant to the preceding clauses (b) and (c) their percentage interests in the Common Elements; provided, however, that (i) the percentage interest in the Common Elements of any other Residential Units (other than Unsold Residential Units) shall not be changed by reason thereof unless the owners of such Residential Units shall consent thereto; (ii) Declarant or the owner of an Unsold Residential Unit, as the case may be, shall comply with all Laws of all governmental authorities having jurisdiction and shall agree to hold the Board and all other Unit Owners harmless from any liability arising therefrom. By written permission of the Condominium Board, which permission, shall not be unreasonably withheld, any other Residential Unit Owner may be given, with respect to his Residential Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article 10 with respect to Unsold Residential

Units, including, without limitation, the right to combine, subdivide and/or otherwise reconfigure two or more adjacent Residential Units owned by such Residential Unit Owner. Notwithstanding the other provisions of this Article 10, no reapportionment of the interests in the Common Elements appurtenant to any Residential Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be 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. The certification referred to in the preceding sentence shall be delivered (i) at Declarant's election, by Declarant, the managing agent of the Residential Section or of the Condominium or any other person reasonably acceptable to the Condominium Board in the case of any Unsold Residential Unit, and (ii) by either the managing agent of the Residential Section or of the Condominium, or any other person reasonably acceptable to the Condominium Board in the case of any other Residential Unit. Declarant or the owner of any Unsold Residential Unit will have the right, without the consent of any other Unit Owner or the Board to amend the Declaration and By-Laws to reflect the foregoing changes. The provisions of this Article 10 may not be added to, amended, modified or deleted without the prior written consent of Declarant or the owner of any Unsold Residential Unit.

ARTICLE 11

CHANGES IN THE COMMERCIAL SECTION

Except to the extent inconsistent with Article 15 or the By-Laws or prohibited by Law, each Commercial Unit Owner shall have the right, and without the vote or consent of the Condominium Board, other Unit Owners or Residential Mortgage Representatives, if any, to: (1) change the layout or number of rooms in the Commercial Unit from time to time; (2) change the Commercial Unit, by subdividing the same, into any desired number of commercial condominium units, combining any units resulting from a subdivision, or otherwise; (3) designate a Unit or a Common Element as part of a newly created or expanded commercial condominium unit or designate all or part of a Commercial Unit as a newly created or expanded Residential Unit, Residential Common Element, or Commercial Common Element; (4) reapportion among the newly created or expanded Commercial Units and/or Residential Units resulting from any subdivision, combination or otherwise their percentage interests in the Common Elements which shall be 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, and provided that in no case may such reapportionment result in a greater percentage of Common Interest for the total of the new Commercial Units and/or Residential Units than existed for the original Commercial Unit; and (5) change, alter or modify the facade or portion of the exterior wall appurtenant to the Commercial Unit provided, however, that the percentage interest in the Common Elements of any portion of the Commercial Unit owned by another Commercial Unit Owner or of any Residential Unit shall not be changed by reason thereof unless the owner of such Unit shall consent thereto, and the Commercial Unit

Owner shall comply with all Laws of all governmental authorities having jurisdiction and shall agree to hold the Board and all other Unit Owners harmless from any liability arising therefrom.

ARTICLE 12

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action which may be brought against the Condominium, the Residential Section or the Commercial Section.

ARTICLE 13

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

13.1 The percentage interest of each Unit in the Common Elements has been 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.

13.2 The percentage interest of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the percentage interest of such Residential Unit bears to the Common Interests of all Residential Units.

ARTICLE 14

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachments shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Declarant or the owner of an Unsold Residential Unit, a Commercial Unit Owner in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the Maintenance of the same as long as the Building shall stand.

ARTICLE 15

NAME OF CONDOMINIUM AND BUILDING

The Condominium and the Building shall be designated and known as "Altair 20." Declarant shall own and control all rights and interests, and shall be responsible for all obligations and liabilities, appurtenant to the name of the Condominium and/or the Building. Only Declarant shall have the right to change or assign the name of the Condominium and/or the Building. In addition, Declarant shall have the right, for so long as the Property is a condominium, to maintain a plaque identifying Declarant as the sponsor of the condominium offering, together with such other information as Declarant determines in its sole discretion.

ARTICLE 16

EASEMENTS AND NAME OF CONDOMINIUM

16.1 Except as set forth in this Declaration, (i) each Unit Owner will have, in common with all other Unit Owners and each Unit will be subject to, an easement for the use of the General Common Elements and any Facilities located therein, including, but not limited to, such easement as will be necessary to Maintain, such Unit Owner's Unit and an easement to connect to existing utilities including, but not limited to, utilities for gas, electricity, steam and ventilation., (ii) each Residential Unit Owner will have, in common with all other Residential Unit Owners, an easement for the use of the Residential Common Elements and any Facilities located therein (wherever located in the Building), including, but not limited to, such easement as will be necessary to operate, Maintain as necessary, such Residential Unit Owner's Unit and (iii) the Commercial Unit Owner will have an easement for the use of the Commercial Common Elements and any Facilities located therein (wherever located in the Building), including, but not limited to, such easement as will be necessary to operate, Maintain such Commercial Unit Owner's Unit. The Commercial Section and the Residential Section will be subject to such easements.

16.2 The Condominium Board or its agents with respect to the Common Elements, to the extent the Board is permitted to act by the By-Laws for such purposes, will have a right of access to each Unit to inspect the same, to remove violations therefrom and to Maintain the Common Elements contained therein or elsewhere in the Property.

16.3 Each Unit Owner shall have, in common with all other Unit Owners, an easement for ingress and egress through the Residential Section and the Commercial Section as the case may be, and for the use of any Common Element, to the extent necessitated by an Emergency including but not limited to an easement by the Commercial Unit Owner for Emergency access through and over the fire stairs in the Building. The Residential Section and the Commercial Section shall be subject to such easement.

16.4 The Condominium Board shall have and each Unit shall be subject to, an easement (a) to install, utilize, operate and Maintain the General Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the

Property and (b) to Maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the General Common Elements.

16.5 The Condominium Board shall have and each Unit shall be subject to, an easement (a) to install, utilize, operate and Maintain the Residential Common Elements and the Residential Limited Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Residential Units, the Residential Common Elements; or the Residential Limited Common Elements.

16.6 The Commercial Unit Owner shall have and each Unit shall be subject to, an easement (a) to install, utilize, operate and Maintain the Commercial Common Elements or any other Common Elements or elsewhere on the Property and (b) to maintain any encroachment on any Unit or Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of any Commercial Unit, or the Commercial Common Elements.

16.7 Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

16.8 Declarant or its designee and the Commercial Unit Owner and their successors and assigns shall, to the extent permitted by Law, have an easement to erect, operate and Maintain from time to time, one or more Signs on the Property for the purposes of advertising (i) the sale or lease of any Unsold Residential Unit, the sale or lease of all or any portion of the Commercial Unit and (ii) the operation of any business of Declarant, a tenant, occupant, managing agent or operator of all or any portion of any Commercial Unit or of any Unsold Residential Units, as the case may be, provided such Signs are in keeping with the character of the Building. Declarant shall have an easement to utilize the Common Elements of the Building in connection with its sales and leasing efforts relative to the Unsold Residential Units. Declarant and the Commercial Unit Owner will have an easement and the right to change the facade of the Building and alter, replace, restore, renovate, remodel and reconstruct the existing facade of the Building through and including the Ground Floor of the Building, provided that such penetration does not materially weaken the structural soundness of the Building.

16.9 Declarant and the Commercial Unit Owner have an easement to use the sidewalks surrounding portions of the Building for purposes permitted by Law.

16.10 Declarant or its designee and the Condominium Board with respect to the Residential Section, Commercial Section and the Property, shall have the right to grant such additional electric, gas, telephone, internet, cable, television, steam, ventilation or other easements for utilities, communications, access or other easements and to construct any shafts, flues or install an air conditioning compressors or other equipment on the roof or relocate any easements in any portion of the Residential Section, the Commercial Section or the Property, as the case may be, as Declarant or its designee, or the Condominium Board, shall deem necessary or desirable for the proper operation and Maintenance of the Building or any portion thereof, or to complete the Building as described in the Plan or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that the Condominium Board

shall not grant such additional easements within a Commercial Unit without the consent of the Commercial Unit Owner thereof and provided further that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of the Residential Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any company providing the utilities or services and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of the aforementioned easements to in order to install, operate, Maintain and service same, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of the Residential Units for their permitted purposes.

16.11 Declarant and the owner of any Unsold Residential Unit, and their respective assignees and licensees shall have, and the Units and Common Elements shall be subject to, an easement, (a) to install, utilize, operate and Maintain satellite dishes and similar equipment on the roofs and facade of the Building and elsewhere on the Common Elements and the conduit and other Facilities relating thereto, other than those portions of the roof which constitute Residential Common Elements or Residential Limited Common Elements and to retain any and all income derived therefrom, and (b) to maintain any encroachment on any Unit, or any Common Elements or elsewhere on the Property resulting from the installation, operation or Maintenance, repair, alteration, rebuilding, restoration or replacement thereof. Declarant shall be entitled to assign, lease, license or otherwise transfer its rights with respect to the foregoing easements and the Condominium shall not be entitled to any portion of fees, compensation or other profits received by Declarant, its designees, assignees or licensees for the use of the aforesaid easements or equipment. Any satellite dishes, equipment or other facilities placed upon the roof and the facade of the Building and elsewhere on the Common Elements by Declarant, its designees, assignees, tenants, licensees or transferees and shall be the exclusive property of Declarant, its designees, assignees tenants, licensees or transferees and neither the Condominium nor any other Unit Owners shall have any rights with respect thereto. Notwithstanding the foregoing, additional utilities or the relocation of existing utilities cannot be installed in the Commercial Unit without the consent of the Commercial Unit Owner.

16.12 Declarant and the Commercial Unit Owner have an easement over all portions of the Building to complete construction thereof and to otherwise comply with their obligations under the Plan, if any.

16.13 Any easements granted to Declarant, the Board, any Unit or any Unit Owner or other party under this Declaration and the By-Laws may be exercised by such Unit Owner's employees, agents, contractors, suppliers, utility providers, service providers, customers, guests, invitees, licensees, servants, tenants, subtenants, members, and visitors, members, tenants and/or tenant-shareholders, as the case may be, to the extent necessary to effectuate the purpose for the easement or as otherwise authorized by Declarant, the Unit Owner or the Board, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Unit or with the use of the Residential Units for their permitted purposes.

16.14 Any easements or rights of access granted hereunder will be exercised, to the extent practicable, in such a manner as will not unreasonably interfere with the normal conduct of business of the tenants and occupants of the Commercial Section or with the use of the Residential Units for their permitted purposes. Any Maintenance performed in accordance with the provisions of this Article 16 in or to any Commercial Unit will be performed outside normal business hours (i) if failure to do so would cause unreasonable interference with the use and occupancy of the applicable Commercial Unit, or (ii) if otherwise reasonably requested by a Commercial Unit Owner. Any additional costs and expenses incurred as a result of such work being done outside of normal business hours will be borne by the Unit Owner whose Unit was accessed. Except as otherwise expressly provided in this Declaration or in the By-Laws, entries to General Common Elements or Limited Common Elements which must be accessed through a Commercial Unit will be permitted on not less than three business days' notice to the Commercial Unit Owner thereof and entries to General Common Elements or Limited Common Elements which must be accessed through a Residential Unit will be permitted on not less than one (1) business days' notice to the Residential Unit Owner thereof. Notwithstanding the foregoing, only such notice as may be practical under the circumstances will be necessary in the case of an Emergency, provided that thereafter the Board will give notice to the affected Unit Owner as promptly as is practical under the circumstances.

ARTICLE 17

POWER OF ATTORNEY

17.1 Each Residential Unit Owner shall grant to the Condominium Board an irrevocable power of attorney, coupled with an interest (annexed as Exhibit E to this Declaration or otherwise in such form and content as the Condominium Board shall determine) following due authorization (if required) from the Residential Unit Owners (a) to acquire or lease any Residential Unit, together with its Appurtenant Interests (as defined hereinafter), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Residential Unit so acquired, or to sublease any Residential Unit so leased, without the necessity of further authorization by the Residential Unit Owners, on such terms as the attorneys-in-fact may determine, (b) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate and (c) to execute, acknowledge and deliver any declaration or other instrument affecting the General Common Elements, the Residential Section or the entire Property which the Condominium Board deems necessary or appropriate to comply with any Law or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance of the Property or the Residential Section, respectively, or any consent, covenant, restriction, easement or declaration, or any amendment thereto,

affecting the Units or the Common Elements which the Condominium Board deems necessary or appropriate.

17.2 Each Commercial Unit Owner shall grant to the Condominium Board an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine) following due authorization (if required) from the Commercial Unit Owner (a) to acquire or lease any Commercial Unit or portion thereof, together with its Appurtenant Commercial Interests (as hereinafter defined), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental, as the case may be, as the attorneys-in-fact deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of the Commercial Unit Owner, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not to vote the interest appurtenant to) any Commercial Unit or portion thereof so acquired, or to sublease any Commercial Unit or portion thereof so leased, without the necessity of further authorization by the Commercial Unit Owners, on such terms as the attorneys-in-fact may determine, and (b) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Commercial Section which the Condominium Board deems necessary or appropriate to comply with any Law or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the Maintenance of the Commercial Section, (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Commercial Section or the Common Elements which the Condominium Board deems necessary or appropriate, or (iii) any easement permitting access between the Commercial Section and any property adjoining the Land, including the right to penetrate any General Common Elements located between the Commercial Section and such adjoining property, provided such penetration does not materially weaken the structural soundness of the Building.

17.3 Each Unit Owner shall grant to Declarant a power of attorney to amend the Condominium Declaration and to effectuate the rights granted to Declarant under the Declaration and By-Laws and the Plan including the power to execute the Required Documentation and to consent on behalf of each Unit Owner, as a party in interest, to any declaration or other agreement effecting a merger or division of the zoning lot in which the Property is located, with any other tax lots to form a single zoning lot (the "Merger") for the purpose of transferring to or from Declarant, or its successors or assigns, all or any portion of the Development Rights.

ARTICLE 18

ACQUISITION OF UNITS BY BOARD

18.1 If (a) any Residential Unit Owner surrenders such Unit Owner's Unit, together with (i) the undivided interest in the Residential Common Elements and Residential Limited Common Elements and General Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Residential Section or the Condominium (such interests in (i), (ii) and (iii) being hereinafter

collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the Condominium Act, (b) the Condominium Board, pursuant to Article 8 of the By-Laws, acquires or leases a Residential Unit or Commercial Unit, together with the Appurtenant Interests, or (c) the Condominium Board purchases, at a foreclosure or other similar sale, a Residential Unit or a Commercial Unit, together with the Appurtenant Interests, then, in any such event, title to any such Residential Unit or Commercial Unit, together with the Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Residential Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to their respective interest in the Common Elements.

18.2 If (a) any Commercial Unit Owner surrenders such Unit Owner's Commercial Unit or any portion thereof, together with (i) the undivided interest in the Commercial Common Elements and General Common Elements appurtenant thereto and (ii) the interest of such Unit Owner in any other Units theretofore acquired by the Condominium Board or it designee, corporate or otherwise, on behalf of the Commercial Unit Owner or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in any other assets of the Commercial Section or the Condominium (such interests in (i), (ii), and (iii) being hereinafter collectively called the "Appurtenant Commercial Interests"), pursuant to the provisions of Section 339-x of the New York Condominium Act, (b) the Condominium Board, pursuant to this Declaration and/or the By-Laws, acquires or leases all or a portion of any Commercial Unit, together with its Appurtenant Commercial Interest, or (c) the Condominium Board purchases, at a foreclosure or other similar sale, all or a portion of any Commercial Unit, together with its Appurtenant Commercial Interest, then, in any such event, title to all or any such portion of the Commercial Unit, together with its Appurtenant Commercial Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of the Commercial Unit Owner, in proportion to its respective interests in the Common Elements. The lease or sublease covering all or any portion of a Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of the Commercial Unit Owner in proportion to its respective interests in the Common Elements.

18.3 The Condominium Board shall have the authority to purchase, on behalf of all Unit Owners, a Residential Unit to be used as the residence of the Resident Manager of the Building and, in such event, title to all or any such portion of the Residential Unit, together with its Appurtenant Residential Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Residential Common Elements.

ARTICLE 19

COVENANTS RUNNING WITH THE LAND

19.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of

this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and such Unit Owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public or any other third party. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

19.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

19.3 Subject to Section 19.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 20

AMENDMENTS OF DECLARATION

20.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Residential Units, or the Commercial Unit or the Commercial Unit Owner (a) any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws; (b) any provision of this Declaration benefiting, protecting or otherwise affecting only the Residential Section or the Residential Unit Owners may be added to, amended, modified or deleted by vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Residential Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected and (c) any provision of this Declaration benefiting, protecting or otherwise affecting only the Commercial Unit or the Commercial Unit Owner may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of the Commercial Unit Owner taken in accordance with the provisions of the By-Laws, provided, however, that the Common Interest appurtenant to the Commercial Unit shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Residential Units, or the Commercial Unit or any Commercial Unit Owner, no amendment, modification, addition or deletion pursuant to the provisions of clauses (a) and (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgage Representatives (as defined in the By-Laws), if any and no amendment, modification, addition or deletion pursuant to the provisions of clause (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgage Representatives, if any. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Residential Units, or the Commercial Unit or any Commercial Unit Owner, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding anything to the contrary set forth above, to the extent that a Commercial Unit Owner has the right under this Declaration or the By-Laws to amend the Declaration without the consent of any other Unit Owner or the Board, then such Unit Owner is authorized to execute such amendment.

20.2 If the number of rooms in an Unsold Residential Unit is changed, or the use, size and/or number of Unsold Residential Units is changed (whether as a result of a subdivision or combination of Unsold Residential Units or alteration of boundary walls between Unsold Residential Units, or otherwise) and the appurtenant percentage interests of Units in the Common Elements are reapportioned as a result thereof, all in accordance with Article 10 hereof, then Declarant or its designee causing such changes shall have the right to execute, or (upon its request) to require any other Unit Owner or the Board to execute, and record in the City

Register's Office and elsewhere, if required by Law, an amendment to this Declaration (together with such other documents as Declarant or its designee causing such changes deems appropriate to effectuate the same) reflecting such change in the number of rooms in an Unsold Residential Unit or in the use, size and/or number of Unsold Residential Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentage interests of Units in the Common Elements resulting therefrom, all without the approval of the Board, the Unit Owners or the Residential Mortgage Representatives, if any. In addition, if any Residential Unit Owner other than Declarant or its designee causing such changes is given the right by the Condominium Board to make the changes described in this Section 20.2 with respect to such Unit Owner's Residential Unit or Residential Units, all in accordance with Article 10 hereof, then such Residential Unit Owner shall have the right to require the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by Law, any amendment to this Declaration and other documents which are necessary or appropriate (in the reasonable judgment of the Condominium Board) to reflect the changes made by the Residential Unit Owner, all without the approval of the Board, other Unit Owners or the Residential Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.3 If (a) the number of rooms in any Commercial Unit or the size of any Commercial Unit is changed and the percentage interest in the Common Elements appurtenant to such Commercial Unit belonging to the Owner causing such change is reapportioned among any newly created or expanded commercial condominium units resulting from any subdivision of the Commercial Unit, any combining of any units resulting from a subdivision, any alteration of the boundary walls between commercial condominium units, or otherwise, or (b) a Commercial Common Elements is designated as part of a newly created or expanded commercial condominium unit or all or part of a Commercial Unit is designated as a newly created or expanded Commercial Common Elements, all in accordance with Article 11 hereof, then the Condominium Board (or the Commercial Unit Owner causing such changes) shall have the right to execute, or (upon request) to require any other Unit Owner to execute, and record in the City Register's Office, and elsewhere, if required by Law, an amendment to this Declaration (together with such other documents as (the Commercial Unit Owner or) the Condominium Board deems appropriate to effectuate the same) reflecting (i) such change in the number of rooms in or size of any Commercial Unit, the subdivision of the Commercial Unit into separate commercial condominium units, the combination of any newly created or expanded commercial condominium units resulting from a subdivision, the alteration of boundary walls between commercial condominium units, or otherwise, and the reapportionment of the percentage interests in the Common Elements among such newly created or expanded commercial condominium units or (ii) such designation of a Commercial Common Element as part of a newly created or expanded commercial condominium unit or such designation of part of a Commercial Unit as a newly created or expanded Commercial Common Element, all without the approval of the Board, the Unit Owners or the Residential Mortgage Representatives, if any. Nothing contained in this Section shall be construed to mean that the Common Interest appurtenant to any Unit not subject to any change may be reapportioned without the written consent of the Owner of such Unit.

20.4 Notwithstanding anything to the contrary set forth above (i) no amendment, modification, addition or deletion of the Declaration shall be effective in any way, (a) without the prior written consent of the affected Commercial Unit Owner(s) with respect to any amendment, modification, addition or deletion of or to the modifying the permitted uses of any Commercial Unit or affecting the rights, privileges, easements, licenses or exemptions granted to any Commercial Unit Owner and (ii) without the prior written consent of Declarant or its designee or the owner of any Unsold Residential Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to the Declaration modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Sponsor or its designee or the owner of any Unsold Residential Unit, as the case may be, or otherwise adversely affecting Declarant or its designee or the owner of any Unsold Residential Unit, as the case may be. Amendments, modifications, additions or deletions of or to this Declaration, the By-Laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Commercial Unit or with the subdivision, alteration of the Commercial Unit, combination or alteration of any newly created or expanded commercial condominium units and/or the offering for sale or lease of all or any portion of the Commercial Unit and in connection therewith the Condominium Board, (or, when permitted, the Commercial Unit Owner) will cause this Declaration, the By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provision thereof may be similar or dissimilar to those affecting the Residential Section and Residential Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the Residential Section or the Residential Unit Owners, the Condominium Board shall be the attorney-in-fact for the Residential Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion. Notwithstanding anything to the contrary set forth above, Declarant and the Commercial Unit Owner shall have the right to amend the Declaration, without the consent of the Board or any other Unit Owner, to effectuate the rights otherwise granted to Declarant and the Commercial Unit Owner under the terms of this Declaration and the By-Laws.

20.5 Notwithstanding anything to the contrary set forth above, to the extent that a Commercial Unit Owner has the right under this Declaration or the By-Laws to amend the Declaration without the consent of any other Unit Owner or the Board, the Declaration and By-Laws may be amended to provide for the creation and operation of a separate section of the Condominium or a timeshare regime with its own rules of operation and its own board of managers (a "Resultant Board") elected by and representing the resultant subdivided units (the "Resultant Units") and any consents, approvals, determinations or actions required to be made by the Unit Owner so subdividing shall be made by the Resultant Board on behalf of the owners of the Resultant Units in accordance with the terms of this Declaration and the By-Laws, as so amended.

20.6 The provisions of Sections 20.1 and 20.2 and this Section 20.5 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Declarant or its designee, and the provisions of Sections 20.1, 20.3, and 20.4 and this Section 20.5, may not be modified, amended, added to or deleted, in whole or in part, without the consent of the Commercial Unit Owner. Notwithstanding the foregoing, Declarant may amend the

Condominium Declaration to correct or supplement any mathematical mistakes, inconsistencies or scrivener errors.

ARTICLE 21

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Mortgage Representatives, if any, and (b) without the written consent of Declarant, until such time as Declarant and the owner of any Unsold Residential Units have conveyed title to all Residential Units and Commercial Unit, provided that in no event shall Declarant's consent be required more than five years after the date fee title to a Residential Unit is first conveyed to a purchaser by Declarant or its designees pursuant to an offering plan. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 22

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 23

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 24

CERTAIN REFERENCES

24.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

24.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

24.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 25

SEVERABILITY

Subject to the provisions of Sections 19.2 and 19.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law.

ARTICLE 26

COVENANT OF FURTHER ASSURANCES

26.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board or otherwise, shall, upon prior reasonable written request at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction. Without intending to limit the generality of the foregoing, the Condominium Board and each Unit Owner shall be required, upon the request of Declarant or the Development Rights Purchaser, to execute and deliver any documents or applications reasonably required in connection with any Merger, any declaration of zoning lot restrictions, the ZLDA or the transfer of the Development Rights to the Development Rights Purchaser.

26.2 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within 10 days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Board is hereby

authorized as attorney-in-fact for such Unit Owner, or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, the Board or other party and such document or action shall be binding on such Unit Owner, the Board or other party.

26.3 If any Unit Owner or any other party which is subject to the terms of this Declaration fails, within 10 days after request therefor, to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to perform, execute, acknowledge and deliver pursuant to this Declaration at the request of Declarant or its designee, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, the Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owner, the Board or other party and such document or action shall be binding on such Unit Owner, the Board or other party, as the case may be.

26.4 Notwithstanding anything to the contrary set forth herein, Declarant is obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan. Declarant is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Without limiting the generality of the foregoing, Declarant hereby disclaims any and all express or implied warranties as to view, light quality, sound and/or odor transmission, the existence of molds, mildew, spores, fungi and/or other toxins within the Condominium. The Declarant has not given and the Board has not relied on or bargained for any such warranties. In the event of any conflict between the foregoing disclaimers and Declarant's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Declarant's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan will control. In no event will Declarant be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty, or otherwise).

ARTICLE 27

SUCCESSORS AND ASSIGNS

Except as set forth herein or in the By-Laws to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee, or, with the consent of Declarant or its designee, any transferee of some or all of the then Unsold Residential Units then owned by Declarant or its designee, as the case may be. The rights and/or obligations of the Commercial Unit Owner as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of the Commercial Unit Owner. Subject to the foregoing, Declarant, its designee, and/or the Commercial Unit Owner, as the case may be, shall have the right, at any time, in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

ACKNOWLEDGMENTS

ARTICLE 28

CONSENTS

Whenever the consent, approval, satisfaction or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction or permission will not be required when Declarant or such designee no longer owns any Units.

ARTICLE 29

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ___ day of _____, 200_.

STRATEGIC CHELSEA LLC
By: Intell Condos LLC

_____
Name:
Title:

EXHIBIT A

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, City, County and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 20th Street distant 302 feet westerly from the corner formed by the intersection of the westerly side of 5th Avenue and said northerly side of 20th Street;

RUNNING THENCE northerly parallel with 5th Avenue 92 feet to the center line of the block;

RUNNING THENCE westerly along said center line of the block and parallel with 20th Street 56 feet;

RUNNING THENCE southerly again parallel with 5th Avenue and part of the way through a party wall 92 feet to said northerly side of 20th Street;

RUNNING THENCE easterly along said northerly side of 20th Street 56 feet to the point or place of BEGINNING.

EXHIBIT "B" TO THE CONDOMINIUM DECLARATION

TO BE COMPLETED PRIOR TO RECORDATION OF CONDOMINIUM DECLARATION

Altair 20							
Unit Designation	Tax Lot Number	Number of Bedrooms/ Bathrooms	Location (Building Façade)`	Square Footage	Residential Limited Common Element Square Footage	Common Elements to which Unit has Immediate Access	Percentage of Interest in the Common Elements
TOTAL							

EXHIBIT C

DEFINITIONS

For convenience of presentation, definitions of certain of the terms used in the Declaration are set forth below:

"Arbitration" shall have the meaning ascribed thereto in Section 11.1 of the By-Laws.

"Board" refers to the Condominium Board.

"Building" refers to the structure and improvements including above and below grade segments, known as 15 West 20th Street, New York, New York 10011 in which the Units of the Condominium are located.

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

"City Register's Office" refers to the New York County office of the Register of The City of New York.

"Commercial Common Elements" refers to those Common Elements which serve or benefit exclusively the Commercial Unit and/or the Commercial Unit Owner.

"Commercial Section" refers to all Commercial Units and the Commercial Common Elements.

"Commercial Unit" refers to the Commercial Unit located on portions of the Cellar and Ground Floor.

"Commercial Unit Owner" refers to the owner or owners of the Commercial Unit.

"Common Charges" shall have the meaning ascribed thereto in Section **6.1.1** of the By-Laws.

"Common Elements" refers to the General Common Elements, the Residential Common Elements, the Residential Limited Common Elements, and the Commercial Common Elements.

"Common Expenses" refers to refers to costs and expenses incurred or projected and attributable to the operation and Maintenance of the Common Elements and as otherwise provided in the Declaration and By-Laws.

"Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the General Common Elements appertaining to each Unit determined in accordance with the Declaration. The Common Interest is the basis of determining, among other things, a Unit Owner's (a) voting power, and (b) share of any distributions upon termination of the Condominium.

"Condominium" refers to Altair 20.

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

"Condominium Board" refers to the overall board of managers of the Condominium comprised of representatives of the Residential Unit Owners and of the Commercial Unit Owner.

"Condominium Declaration" refers to the instrument creating the Condominium to be recorded in the City Register's Office, together with all schedules and exhibits thereto, as same may be amended from time to time, a form of which is set forth in Part II of the Plan.

"Condominium Documents" refers collectively to the Declaration, the By-Laws, the Floor Plans and any and all exhibits thereto.

"Declarant" refers to Strategic Chelsea LLC, a Delaware limited liability company, and its successors and assigns.

"Declarant and/or its designee(s)," "Declarant or a designee of Declarant" or similar term refers to Declarant, any of the partners of Declarant, any affiliate of Declarant, any affiliate of any of the general or limited partners of Declarant, any officer or shareholder of a corporate partner of Declarant, or any partner of a partnership which is a partner of Declarant or any party designated in writing as a designee. As used in this paragraph, an affiliate shall be deemed to be a person or an entity who or which owns more than 50% of the legal and beneficial interest of Declarant or of any partner, a person or an entity with respect to which either Declarant or any partner owns more than 50% of the legal and beneficial interest, or an entity as to which more than 50% of its legal and beneficial interest is owned by a person or an entity which owns more than 50% of the legal and beneficial interest of Declarant or of any partner.

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

"Development Rights" shall have the meaning ascribed thereto in Section 2.2 of the Declaration.

"Development Rights Purchaser" shall have the meaning ascribed thereto in Section 2.2 of the Declaration.

"Emergency" refers to any situation where the applicable Person, in its reasonable judgment, concludes that a particular action (including, without limitation, the expenditure of funds) is immediately necessary (i) to avoid material damage to all or any material portion of the Building or Property, (ii) to protect any person from harm, or (iii) to avoid the unforeseen and unforeseeable suspension of any necessary material service in or to the Building or the Property, the failure of which service would have a material and adverse effect on the Building or Property.

"First Closing," or words of similar import, refers to the date fee title to a Residential Unit is first conveyed to a Purchaser pursuant to the Plan.

"Floor Plans" refers to the floor plans of the Building, as the same may be amended from time to time, which are approved by the Real Property Assessment Department of The City of New York and filed with the City Register's office.

"General Common Elements" refers to those portions of the Land and the Building, designated for the common use of all Units, as more particularly defined in Section ___ of the Declaration.

"Land" refers to the parcel of land described in Exhibit A to the Declaration.

"Law or Laws" refers to laws and ordinances of any or all of the federal, state, city, county and borough governments and rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies or offices thereof, or of any other governmental, public or quasi-public authorities, having jurisdiction over the Property, the Land, the Building, and Unit or any portion of any of the foregoing, any requirements or conditions of any licenses, permits, approvals or certificates issued by any of the foregoing, the direction of any public officer pursuant to law, and the requirements and conditions of any easement, covenant, restriction, condition or other encumbrance that is binding upon the Property or the applicable portion thereof.

"Limited Common Elements" refers to the Residential Limited Common Elements.

"Maintenance or Maintain" or "Maintaining" refers to the maintenance, repair, reconditioning, refurbishing, reconfiguration, inspection, testing, cleaning, improvement, decorating, painting, installation, alteration, addition, reconstruction, construction, demolition, restoration and replacement as and when necessary or desirable of any portion of the Building.

"Merger" shall have the meaning ascribed thereto in Section 17.2 of the Declaration.

"Permitted Mortgage" refers to a mortgage permitted to be placed upon a Unit or Units pursuant to the provisions of the By-Laws.

"Permitted Mortgagee" refers to the holder of any Permitted Mortgage and shall include, without limitation such banks and financial institutions as constitute the holders of the construction loan mortgages given by Declarant to acquire and construct the Property.

"Plan" refers to the offering plan for the establishment of condominium ownership of the Property, as filed with the Department of Law, as the same may be amended from time to time.

"Property" refers to the Land, the Building and the appurtenances thereto.

"Required Documentation" refers to such applications, permits, certifications, affidavits, forms, agreements, acknowledgments or other documents as may be required to enable the Declarant to exercise its rights or obligations under the Declaration and the By-Laws, including, without limitation, Declarant's rights to deal with the Available Development Rights and to undertake, perform and complete such work to the Unsold Units, Commercial Unit and Common Elements.

"Residential Common Elements" shall have the meaning ascribed thereto in Section 8.5 of the Declaration.

"Residential Common Interest" refers to the proportionate undivided interest, expressed as a numerical percentage, in the Residential Common Elements appertaining to each Residential Unit determined in accordance with the Declaration. The Residential Common Interest is the basis of determining a Unit Owner's liability for a share of the Common Expenses.

"Residential Limited Common Elements" refers to those Common Elements which serve or benefit exclusively one or more but not all the Residential Units and/or the Residential Unit Owners.

"Residential Rules and Regulations" refers to the rules and regulations made in accordance with the By-Laws and attached thereto as Schedule A.

"Residential Section" refers to the Residential Units, the Residential Common Elements and the Residential Limited Common Elements.

"Residential Unit" refers to any Unit designated as a Residential Unit in the Declaration and the Floor Plans, and all such Residential Units, are collectively, referred to as the "Residential Units."

"Residential Unit Owner" refers to any owner of a Residential Unit, and all such owners are, collectively, referred to as "Residential Unit Owners."

"Section" refers to the Residential Section or Commercial Section. Both of such Sections are collectively referred to as "Sections."

"Signs" refers to any and all signs, awnings, canopies, marquees, banners, flags, pennants, aerials, antennas or the like located in any Unit or upon any Common Elements.

"Storage Bin" refers to the steel woven wire storage bins located in the Cellar which will be made available for the exclusive use of the Residential Unit Owners pursuant to Storage Bin Licenses and which constitute Residential Common Elements.

"Storage Bin License" refers to the license to be granted to a Residential Unit Owner evidencing the Residential Unit Owner's right to use a Storage Bin.

"Terrace(s)" refers to terraces and/or balconies and/or roof gardens and/or deck house appurtenant to and made a part of certain Residential Units.

"Unit" or "Condominium Unit" refers to either a Residential Unit or a Commercial Unit as more particularly designated in the Declaration and the Floor Plans and all of such Units are collectively referred to as "Units."

"Unit Owner" refers to any Residential Unit Owner or the Commercial Unit Owner, and all of such Residential Unit Owners and the Commercial Unit Owner are collectively referred to as the "Unit Owners."

"Unsold Residential Unit" refers to any Residential Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Declarant or its designee; a Residential Unit that is acquired, individually or collectively, by a principal of Declarant or a group of which Declarant or one or more of the principals of any of them, is a member; or a Residential Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Declarant or the designee of a holder of such a Permitted Mortgage.

"Unsold Unit" refers to any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Declarant or its designee; a Unit that is acquired, individually or collectively, by a principal of Declarant or a group of which Declarant or one or more of the principals of any of them, is a member; or a Unit that is acquired, individually or collectively, by either the holder of a Permitted Mortgage given by Declarant or the designee of a holder of such a Permitted Mortgage.

ZLDA" shall have the meaning ascribed thereto in Section 2.2 of the Declaration

EXHIBIT "8"

CONDOMINIUM BY-LAWS

EXHIBIT D

BY-LAWS

OF

ALTAIR 20
15 WEST 20TH STREET
NEW YORK, NEW YORK 10011

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BY-LAWS

ARTICLE 1

GENERAL

1.1 **Purpose.** The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of Altair 20 (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 5,152 square feet of land (the "Land") which forms a part of Block 822 of Section 3 the Tax Map of the Borough of Manhattan, City, County and State of New York, the building and other improvements now or hereafter to be constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York County Office of the Register of The City of New York ("City Register's Office"), together with these By-Laws. All terms used herein which are not separately defined herein, shall have the meanings given to those terms in the Declaration or in Exhibit C thereto.

1.2 **Applicability of By-Laws.** These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and other occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3 **Principal Office of Condominium.** The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Manhattan reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as hereinafter defined).

ARTICLE 2

BOARDS OF MANAGERS

2.1 **Number, Term and Qualification.**

2.1.1 As more particularly set forth in 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Condominium Board"). From and after the first annual meeting of Unit Owners as provided in Section 3.1, the Condominium Board shall consist of five (5) persons, three (3) of whom shall be elected by the Residential Unit

Owners, subject to Declarant's rights under Section 3.9.3, and two (2) of whom shall be designated by the Commercial Unit Owner subject to Section 2.4. The Condominium Board is herein sometimes referred to as the "Board." Notwithstanding anything to the contrary set forth above, no Residential Unit Owner may be elected to serve on the Condominium Board if any Board has perfected a lien against such Residential Unit Owner's Unit which lien has not been satisfied at the time of the election.

2.1.2 Each member of the Condominium Board except for the first Boards as provided in 2.4 and except as otherwise provided herein, shall be elected or designated, as the case may be, at the separate annual meetings of Residential Unit Owners and the Commercial Unit Owner, respectively, and shall serve until the next annual meeting thereof and until successors have been elected and qualified. There shall be no limit on the number of successive terms a Board member may serve.

2.1.3 Except for Board members elected or designated by Declarant or its designee all members of the Condominium Board (a) shall be either Residential Unit Owners or officers, directors, shareholders, partners, principals, members, trustees, employees or beneficiaries of corporations, partnerships, limited liability companies fiduciaries or any other entities which own Residential Units, Permitted Mortgagees, or family members of any of the foregoing, with respect to Board members elected by Residential Unit Owners, and (b) shall be either a Commercial Unit Owner or officers, directors, shareholders, partners, principals, employees or beneficiaries of corporations, partnerships, fiduciaries or any other entities which may own a Commercial Unit, Permitted Mortgagees of the Commercial Unit, lessees of the Commercial Unit or portions thereof, or family members of any of the foregoing, with respect to Board members designated by Commercial Unit Owner. Other than Board members elected or designated by Declarant or its designee no Board member shall continue to serve after such member ceases to be qualified as set forth above. No Residential Unit Owner may be elected to serve on the Condominium Board if such Board has perfected a lien against such Residential Unit Owner's Unit which lien has not been satisfied at the time of the election. As used herein the term "Permitted Mortgagee" means the holder of any mortgage ("Permitted Mortgage") of a Unit or Units which is permitted to be placed thereon pursuant to these By-Laws.

2.2 **Powers and Duties.**

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by Law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners).

2.2.2 Subject to the provisions of Subsection 2.2.1 and without limiting the generality thereof the Board shall have all powers and duties expressly set forth elsewhere in the Declaration and By-Laws and shall be entitled to make such determinations and take such actions and incur such liabilities as may be required to effectuate the Board's obligations under the Declaration and By-Laws.

2.2.2.1 The Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1(a) Operating, caring, Maintaining, repairing and replacing the Common Elements.

2.2.2.1(b) Operating and Maintaining the Residential Section and Commercial Section.

2.2.2.1(c) Determining the amount of Common Charges (as hereinafter defined).

2.2.2.1(d) Employing and dismissing personnel in connection with the Maintenance and operation of the Common Elements, Residential Section and Commercial Section.

2.2.2.1(e) Adopting and amending the Rules and Regulations, as they affect the Common Elements, Residential Section and Commercial Section.

2.2.2.1(f) Purchasing Units at foreclosure or other similar sales, in the name of the Condominium Board (or, if required, in the name of the Condominium Board) or its designee, on behalf of all Residential Unit Owners or the Commercial Unit Owner.

2.2.2.1(g) Making additions and improvements to, or alterations of, the Common Elements, Residential Section and Commercial Section.

2.2.2.1(h) Making repairs and restorations of the Common Elements, Residential Section and Commercial Section or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.1(i) Enforcing obligations of Unit Owners.

2.2.2.1(j) Levying fines against Unit Owners for violations of the Rules and Regulations as they pertain to the Common Elements, Residential Section and Commercial Section (any such fines shall constitute Common Charges payable by the Unit Owner against which they are levied).

2.2.2.1(k) Opening and maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating signatories therefor.

2.2.2.1(l) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith) if the loss involves the Condominium or the Common Elements, as set forth in 6.2.

2.2.2.1(m) Borrowing money on behalf of the Condominium, when required in connection with the operation and Maintenance of the Common

Elements, Residential Section or Commercial Section; provided, however, that (i) the consent of at least 66-2/3% in Common Interest of all Unit Owners shall be required for any borrowings in excess of the aggregate amount of $150,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous years), and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements, Residential Section and Commercial Section without the consent of the owner of such Unit. If any sum borrowed by the Condominium Board pursuant to the authority contained in this subparagraph 2.2.2.1(1) is not repaid by said Board, a Unit Owner who pays to the creditor such proportion thereof as such Unit Owner's interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

2.2.2.1(n) Organizing corporations to act as designees of the Condominium Board with respect to such matters as the Condominium Board may determine, including, without limitation, in connection with the acquisition of title to or the leasing or subleasing of Units by the Condominium Board on behalf of Unit Owners.

2.2.2.1(o) Executing, acknowledging and delivering of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any Law or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the operation or Maintenance of the Condominium or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Condominium Board deems necessary or appropriate.

2.2.2.1(p) Executing, acknowledging and delivering any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Residential Units for the benefit and on behalf of (i) all Residential Unit Owners, or (ii) for individual Residential Unit Owners, provided that each such Residential Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

2.2.2.1(q) Prepare, execute and record, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.1(r) Obtaining and reviewing insurance for the Property, pursuant to the provisions of Section 6.2.

2.2.2.1(s) Leasing or purchasing an apartment for use as the residence of the building superintendent, either in the Building or elsewhere (in compliance with applicable Law) and amending, modifying, extending, renewing, and otherwise dealing in any way with respect to any such apartment.

2.2.2.1(t) Purchasing or leasing, in the name of the Condominium Board, space for the storage of personal property of Residential Unit Owners, and in connection therewith the promulgation of conditions, rules and regulations for the operation and supervision thereof.

2.2.2.1(u) Imposition of move in fees and charges, and transfer fees in connection with the sale or lease of a Residential Unit, provided that no such fees or charges or any other conditions of transfer or lease may be imposed upon the Declarant.

2.2.2.1(v) Reviewing and approving alterations, additions, improvements, renovations and repairs by Unit Owners to their respective Units and the Common Elements and establishing rules and procedures with respect to such alterations, additions, improvements, renovations and repairs.

2.2.2.1(w) Licensing or leasing the Common Elements.

2.2.2.1(x) Any act with respect to a matter determinable by the Board and deemed necessary or desirable by the Board in connection therewith shall be done or performed by the Board or shall be done on its behalf and at its direction by the agents, employees or designees of such Board.

2.2.3 Notwithstanding anything to the contrary contained in these By-Laws, so long as Declarant or the owner of Unsold Residential Units shall continue to own at least 25% of the Residential Units, but in no event later than five years from the First Closing of a sale made under an Offering Plan, the Condominium Board may not, without Declarant's prior written approval: (i) make any addition, alteration or improvement to the General Common Elements, the Residential Common Elements or to the Residential Limited Common Elements or to any Residential Unit; (ii) increase or decrease the number, or change the kind of employees initially hired for the Residential Section of the Condominium; (iii) enter into any service or maintenance contract for work not covered in the initial projected budget for the Condominium or Residential Section or otherwise provide services in excess of those contemplated by such projected budget, except as is required to reflect normal annual increases in operating services; (iv) borrow money on behalf of the Condominium or on behalf of the Residential Section; (v) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund; or (vi) exercise a right of first refusal to lease or purchase a Residential Unit; provided that Declarant's written consent is not necessary to perform any function or take any action described in items (i) through (vi) above if and only if the performance of such function or the carrying out of such an action is necessary and no other alternative is available to enable the

Condominium Board to comply with Laws of any governmental authority having jurisdiction over the Condominium.

2.3 **Managing Agents and Managers.** With respect to matters the determinations concerning which the Condominium Board is entitled to make, the Condominium Board may employ a managing agent and/or a manager at a compensation established by the Condominium Board to perform such duties and services as the Condominium Board shall authorize. The Condominium Board may delegate to such managing agent or manager other powers granted to the Condominium Board by these By-Laws, except the powers set forth in Subsections 2.2.2.1(c), (e), (g), (i), (j), (m), (n), (o), (p) and (q).

2.4 **First Board.** The Condominium Board shall initially consist of the two (2) persons designated by Declarant and the one (1) person designated by the Commercial Unit Owner. The various Board members shall be deemed to have been "elected" as members of the Board for the purposes of these By-Laws. Within one (1) year after the date of the First Closing, the Condominium Board will call for the first annual meeting of Unit Owners for the purpose of electing a new Board in accordance with the provisions of 3.1 and subject to the rights of Declarant to designate certain members of the Board as more particularly described in Section 3.9.3 of these By-Laws, unless more than fifty percent (50%) of the Units are sold, in which case the First Annual Meeting will be called within thirty (30) days after the sale of fifty percent (50%) of the Units. The terms of each member of the Board shall expire annually. Notwithstanding the foregoing, for as long as Declarant has the voting power to elect all members of the Board, the Condominium Board shall have five (5) members.

2.5 **Resignation and Removal.** Any Board member may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Condominium Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Subject to the provisions of Subsection 3.9.3, any Condominium Board member may be removed, with or without cause, by a majority vote of Residential Unit Owners, present in person or by proxy at a regular or special meeting of Residential Unit Owners at which a quorum is present. Any Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting. Notwithstanding the above, Board members designated by Declarant or its designee may only be removed by members other than Declarant or its designees with cause and such members shall be replaced as described in Section 2.6. In addition, any member of the Condominium Board who is designated as such by Declarant or its designee, may be removed by such designating party at any time, with or without cause, and the party making such removal shall have the right to designate the replacement for such member.

2.6 **Vacancies.** Subject to the provisions of Section 3.9.3, any vacancy on the Condominium Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of the Residential Unit Owners or the Commercial Unit Owner when a successor shall be elected for the remainder of the term of the member creating such vacancy. Notwithstanding anything to the contrary contained in these By-Laws, in the case of a vacancy on the Board, created by the

resignation, removal or any other cause which results in any Board member designated by Declarant or its designee, ceasing to be a member of any such Board, Declarant or its designee, as the case may be, shall have the sole right to designate a replacement for such member.

2.7 **Organizational Meetings of the Unit Owners.** The first meetings of the Condominium Board following each annual meeting of each of the Residential Unit Owners and the Commercial Unit Owner shall be held immediately following each such annual meeting.

2.8 **Regular Meetings of the Board.** Regular meetings of the Condominium Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail, facsimile or e-mail, at least five business days prior to the day named for such meeting.

2.9 **Special Meetings of the Board.** Regular meetings of the Condominium Board may be held at such time and place in the Borough of Manhattan as shall be determined from time to time by a majority of the members thereof. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail, facsimile or e-mail, at least five business days prior to the day named for such meeting.

2.10 **Resolutions of the Board.** The Condominium Board shall cause to be promptly delivered to the other copies of all resolutions adopted by it except to the extent (a) of matters privileged under applicable Law, (b) relating to the terms of the sale, leasing or subleasing of any Unit or portion of any Unit, other than the nature of the use thereof, and (c) relating to matters not related to the Property.

2.11 **Waiver of Notice.** Any Board member may at any time waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of a Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.12 **Determinations by Board; Quorums.**

2.12.1 Except as otherwise set forth in 2.13.4, all determinations by the Condominium Board shall be made at a meeting of the Board at which a quorum thereof is present. At any Condominium Board meeting, a majority of the members thereof shall constitute a quorum, and the votes of a majority of such members present shall constitute the decision of such Board.

2.12.2 If at a Condominium Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.12.3 Members of the Condominium Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute

presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Condominium Board may be taken without a meeting if all members of such Board consent in writing to the adoption of a Resolution authorizing such action and the writing or writings are filed with the minutes of such Board.

2.13 **Compensation.** No member of the Condominium Board shall receive any compensation for acting as such.

2.14 **Liability of Board and Unit Owners.**

2.14.1 To the extent permitted by applicable Law, no member of the Condominium Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium, the Commercial Section, or the Residential Section or any Limited Common Element (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by any managing agent or manager thereof may state that it is made by the Board, managing agent or manager only as agent for all Unit Owners, Residential Unit Owners, or the Commercial Unit Owner, as the case may be, that the Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and may also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium or the Residential or Commercial Section, as the case may be, or any Limited Common Element shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, Residential Unit Owners, or the Commercial Unit Owner, as the case may be, and, unless expressly stated to the contrary in such contract (as determined by the Board in its sole and absolute discretion), to the extent permitted by applicable Law, shall be limited to such Unit Owner's interest in such Unit Owner's Unit and such Unit Owner's appurtenant Common Interest so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the Board on whose behalf the contract or agreement is made. Board members shall have no liability to Unit Owners except that the Board member shall be liable for such Unit Owner's own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Condominium Board member against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Board may contract or effect any transaction with any Board member, any Unit Owner, Declarant, Declarant's designee or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

2.14.2 Neither the Board nor any member thereof shall be liable for either (i) any failure or interruption of any utility or other service to be obtained by, or on behalf of, the Board or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of such Board or any member thereof; or (ii) any

injury, loss or damage to any individual or property, occurring in or about either a Unit or any General or Limited Common Element.

2.15 **Fidelity Bonds.** The Board shall obtain or ensure maintenance of fidelity bonds, in amounts deemed appropriate by it, for all of its members, officers and employees and for the managing agent or manager, if any, employed by it and the premiums on such bonds shall constitute Common Expenses.

2.16 **Committees.** The Condominium Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an Executive Committee and such other committees as the Board may deem appropriate, each to consist of as many members as such Board shall deem appropriate for the purpose of making such reports and studies as the Board deems appropriate. For so long as Declarant is entitled to designate members to the Board, any committee appointed by the Board shall have as at least one of its members a member appointed by Declarant.

2.17 **Principal Offices of Board.** The principal offices of the Condominium Board shall be located within the Property or at such other place in the Borough of Manhattan reasonably convenient thereto as may be designated from time to time by the Board.

2.18 **Status of Board.** In addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the Condominium Act, the Board shall, to the extent permitted by applicable Law, be deemed to constitute a separate association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Board pursuant to the provisions of 2.20, the provisions of this Section 2.19 shall no longer be applicable to the Board.

2.19 **Incorporation of Board.** To the extent and in the manner provided in the Condominium Act, the Condominium Board may by action of the Board as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates, it shall have, to the extent permitted by applicable Law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions hereof and the provisions of such certificate of incorporation and by-laws.

2.20 **Board as Agent of Unit Owners.** In exercising its respective powers and performing their respective duties under the Declaration and these By-Laws, the Condominium Board shall act in good faith as, and shall be, the agent of the Unit, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.21 **Development Rights**. Each Board shall be authorized to, and, upon the request of Declarant or the Development Rights Purchaser, each Board shall be obligated, to execute and deliver any documents or applications reasonably required in connection with a Merger, any

declaration of zoning lot restrictions, the ZLDA or the transfer of the Development Rights to the Development Rights Purchaser."

ARTICLE 3

UNIT OWNERS

3.1 **Annual Meetings.** On or no more than one year after the First Closing the first annual meeting of the Unit Owners shall be called unless more than fifty percent (50%) of the Residential Units are sold, in which case the First Annual Meeting will be called within thirty (30) days after the sale of fifty percent (50%) of the Residential Units. Such meetings shall be held not less than 10 days nor more than 40 days after such date. At such meeting, the members of the Condominium Board shall resign and the Residential Unit Owners shall elect (in accordance with the provisions of Section 2.1 and as otherwise provided in these by-laws) three (3) representatives to serve as members on the Condominium Board and Commercial Unit Owner shall designate two (2) representatives to serve as members of the Condominium Board in accordance with Section 2.1 and as otherwise provided in these by-laws. Thereafter, annual meetings of the Unit Owner shall be held within approximately 30 days of each anniversary of the first annual meeting. At each such annual meeting, the incumbent members of the Condominium Board shall resign and new Board members shall be designated and elected in accordance with Section 2.1 and as otherwise provided in these by-laws and there shall also be transacted such other business as may properly come before such meetings.

3.2 **Place of Meetings.** Meetings of all or any Unit Owners shall be held at the principal office of the Condominium or, at such other suitable and convenient place in the Borough of Manhattan, as may be designated by the Board.

3.3 **Special Meetings.** The President of the Condominium Board shall call a special meeting of Unit Owners, if so directed by resolution of the Board or upon a petition signed and presented to the Secretary by not less than 25% in Common Interest of Unit Owners in such Section.

3.4 **Notice of Meetings and Actions Taken.** Notice of each annual or special meeting shall be given by the Secretary to all Unit Owners of record entitled to vote thereat as of the date of said notice. Each such notice shall state the purposes of the meeting and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder shall be given by personal delivery, regular mail, recognized overnight courier or telegram, at least ten (10) but no more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address at the Property or elsewhere as any Unit Owner has designated by notice in writing to the Secretary at least ten (10) days prior to the giving of notice of the applicable meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least thirty (30) days prior to the day fixed for such meeting, and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 **Adjournment of Meetings.** If any joint or separate meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are 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.

3.6 **Order of Business.** The order of business at all joint or separate meetings of Unit Owners shall be as follows:

(a) Call to order;

(b) Roll call;

(c) Proof of notice of meeting;

(d) Reading of minutes of preceding meeting;

(e) Reports of officers;

(f) Reports of members of the Board;

(g) Reports of committees;

(h) Election of inspectors of election (when so required);

(i) Election of members of the Board (when so required);

(j) Unfinished business;

(k) New business; and

(l) Adjournment.

3.7 **Title to Units.** Title to Units may be taken by any individual, corporation, partnership, association, limited liability company, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 **Voting.**

3.8.1 Each Unit Owner or a person designated by such Unit Owner to act as proxy on such Unit Owner's behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit as set forth herein and in the Declaration at all meetings of Residential Unit Owners or the Commercial Unit Owner and at all joint meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Condominium Board and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months except a designation of a Permitted Mortgagee to act as the proxy of its mortgagor. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Board nor its designee shall be entitled to vote

the interest appurtenant to any Unit owned by the Board and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interest of Unit Owners for voting purposes.

3.8.2 Except as otherwise set forth herein or in the Declaration, at all meetings of Unit Owners, each Unit Owner (or such Unit Owner's proxy) entitled to vote thereat (including Declarant with respect to Units owned by Declarant or its designee) shall be entitled to cast one vote for each .0001% (rounded off to the nearest .0001%) of Common Interest attributable to such Unit Owner's Unit.

3.8.3 Whenever a particular percentage of Common Interest must be reached for voting purposes and such required percentage is in terms of the Residential Unit Owners, as a group, or the Commercial Unit Owner as a group (as opposed to all Unit Owners as a whole), such required percentage shall mean a percentage in terms of total Common Interests attributable to that particular group and not the percentage of Common Interests attributable to all Unit Owners.

3.8.4 Notwithstanding anything to the contrary set forth above, Unit Owners may vote to amend the Declaration and these By-Laws pursuant to Article 20 of the Declaration and Article 13 of these By-Laws, without a meeting, provided that such Unit Owners receive no less than thirty (30) days notification of such proposed amendment from the Condominium Board, together with a copy of the text of such proposed amendment and a proxy with respect to such vote.

3.9 **Election of Board Members; Rights of Declarant.**

3.9.1 All elections of Board members shall be determined by plurality vote.

3.9.2 When voting for members of the Condominium Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interests owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Each Unit Owner shall be entitled to cast the number of votes determined in accordance with Section 3.8.2 for each member to be elected by the Unit Owners. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

3.9.3 Notwithstanding any other provision of this Section 3.9 or any other provision of these By-Laws to the contrary, commencing with the first annual meeting of Residential Unit Owners, Declarant shall have the right to vote all of the Common Interests attributable to Unsold Units owned by it until Declarant has closed title to all of the Unsold Units owned by it. Declarant shall hold a majority of seats on the Condominium Board until the later to occur of (i) five (5) years from the date of the First Closing or (ii) that date upon which the votes cast at any election of Condominium Board members constitute less than a majority of the votes cast for Declarant's nominees at such meeting (the "Initial Control Period"). Any vacancy created by removal of a Board member designated by Declarant, or by any other cause which results in a Board member designated by Declarant ceasing to be a member of the Board, shall be filled by a person designated by Declarant. In addition, (a) for so long as Declarant owns less than 50% of the Residential Units but more than 15% of the Unsold Residential Units Declarant

shall have the right to designate at least two members of the Condominium Board and (b) for so long as Declarant owns at least two of the Unsold Residential Units Declarant shall have the right to designate at least one member of the Condominium Board. For so long as Declarant owns at least two of the Unsold Residential Units the number of members of the Condominium Board may not be increased without the consent of Declarant. Within 10 days after the Initial Control Period, one of the Declarant designated members of the Condominium Board shall resign and in such event a Residential Unit Owner meeting will be held to elect a new board member unrelated to the Declarant within thirty (30) days after the expiration of the Initial Control Period.

3.9.4 Nothing contained herein shall be deemed to limit the right of Declarant to cast its votes for individuals nominated to the Condominium Board who are not nominated or designated by Declarant, which individuals, if elected, shall not be deemed Declarant nominees or designees and shall not be deemed to cause Declarant to control the Condominium Board.

3.9.5 Until Declarant and the owner of any Unsold Residential Units have conveyed title to all Residential Units, but in no event later than five (5) years after the First Closing, the Condominium Board may not take any of the following actions without Declarant's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, or (d) enter into any service or Maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or the Residential Section, or (f) exercise a right of first refusal to lease or purchase a Residential Unit; provided, however, that Declarant's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board to comply with Laws of any governmental authority having jurisdiction over the Condominium.

3.10 **Majority of Unit Owners.** Except as may otherwise be provided by Law, as used in these By-Laws, the terms "Majority of Residential Unit Owners," "Majority of Commercial Unit Owners" and "Majority of Unit Owners" means either those Residential Unit Owners, Commercial Unit Owner, or Unit Owners, as the case may be, having more than 50% of the total votes cast (in person or by proxy) at any meeting at which a quorum is present of either Residential Unit Owners, Commercial Unit Owner, or all Unit Owners, as the case may be, determined in accordance with the provisions of 3.8.

3.11 **Quorum.** Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than 50% of the Common Interests attributable to all Units shall constitute a quorum at all meetings of Unit Owners.

3.12 **Majority Vote.** Except where otherwise provided by Law, the Declaration or these By-Laws the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

3.13 **Determination of Unit Owners.** When the Residential Unit Owners and Commercial Unit Owner, with each acting separately in accordance with the provisions of this Article 3, have made the same determination as to any matter which is required or permitted to be determined by all Unit Owners, such determination shall constitute the determination of all Unit Owners. Notwithstanding anything to the contrary set forth herein as to any matter as to which the Residential Unit Owners or Commercial Unit Owner are permitted or required act at any meeting of such Unit Owners, such action may be taken without a meeting if the requisite number of such Unit Owners, in number and Common Interest, consent in writing (by proxy or otherwise) to such action and the writing or writings are filed with the minutes of the Board.

ARTICLE 4

OFFICERS

4.1 **Designation.** The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in their judgment may be desirable. None of the officers need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Condominium Board after the first annual meeting of Unit Owners. Thereafter, the members elected to the Board by the Residential Unit Owners must be Residential Unit Owners or have any interest therein.

4.2 **Election of Officers.** The officers of the Condominium Board shall be elected annually by the members of the Board at the organizational meetings thereof, except that the initial officers of the Board shall be elected by the initial Condominium Board members and shall hold office at the pleasure of the Board and until their successors are elected.

4.3 **Resignation and Removal of Officers.** Any officer may resign at any time by written notice delivered or sent by certified mail, return receipt requested, to the Board. Such resignation shall take effect at the time specified therein and, unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause. A successor officer may be elected at any regular Board meeting or at any special Board meeting called for such purpose.

4.4 **Presidents.** The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all joint meetings of Unit Owners and at all meetings of the Condominium Board. Said President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners or Residential Unit Owners or the Commercial Unit Owner from time to time as the President decides is appropriate to assist in the conduct of the affairs of the entire Condominium or of the Residential or Commercial Section, as the case may be.

4.5 **Vice Presidents.** The Vice President shall take the place of the President under whom the Vice President serves and perform the duties of the President whenever such President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Board shall appoint some member of such Board to act in the place of such President and Vice President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board or by the President.

4.6 **Secretaries.** The Secretary of the Condominium shall keep the minutes of all meetings of Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Board shall direct and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 **Treasurers.** The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurers shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent appointed by the Board) in such depositories as may from time to time be designated by the Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 **Execution of Documents.** Unless otherwise delegated by the Board, all agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any officer thereof or by such other person or persons as may be designated by the Board. However, the Condominium Board can, by resolution, determine that an expenditure in excess of a specified amount by the Board must be countersigned by two members of the Board.

4.9 **Compensation of Officers.** Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

ARTICLE 5

NOTICES

5.1 **Notices.** All notices required or desired to be given hereunder to the Condominium Board shall be personally delivered or sent by registered or certified mail to the office of the Board or to such other address as the Board may designate from time to time, by notice in writing to the Board and to all Unit Owners and to all Permitted Mortgagees, as the case may be, and if there is a managing agent of the Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Residential Unit Owner or Commercial Unit Owner shall, except as otherwise provided herein, be personally delivered or sent by registered or certified mail to the Property address of such Residential Unit Owner or Commercial Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. All notices to Permitted Mortgagees shall be personally delivered or sent by mail to their respective addresses, as designated by them from time to time, in writing to the Condominium Board. All notices shall be deemed to have been

given when personally delivered or mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

5.2 **Waiver of Service of Notice.** Whenever notice is required to be given by Law, the Declaration or these By-Laws, 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 6

OPERATION OF THE PROPERTY

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 Except as otherwise provided herein, all costs and expenses attributable to the operation and Maintenance of the General Common Elements, Residential Common Elements, the Residential Limited Common Elements, and Commercial Common Elements ("Common Expenses") shall be determined by the Condominium Board as set forth below, and shall be borne by the Unit Owners. Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be Common Expenses. Common Expenses shall also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the General Common Elements. Common Charges shall also be deemed to include any special assessment imposed by the Condominium Board on Unit Owners. The Condominium Board shall from time to time and at least annually prepare a budget to meet Common Expenses and shall allocate and assess to the Residential Unit Owners and the Commercial Unit Owner charges to meet Common Expenses ("Common Charges") pro rata in accordance with the aggregate respective Common Interests of the Residential Unit Owners and Commercial Unit Owner as set forth in the Declaration, except as otherwise provided in the Declaration or these By-Laws or to the extent a different method of allocation is described in Schedule B, Projected Budget for First Year of Condominium Operation, set forth in the Plan. Such budgets shall include such amounts for reserves, as the Condominium Board deems appropriate. In addition to basing charges on Common Interests, the Condominium Board may also make allocations and assessments of Common Expenses in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of the Law. Notwithstanding anything to the contrary set forth above, the Condominium Board may not modify its method of allocations and assessments or increase the number of building employees servicing the Commercial Unit as provided in the Schedule B in such a manner as would increase the Common Charges otherwise payable by the Commercial Unit Owner, without the consent of the Commercial Unit Owner.

6.1.2 Notwithstanding anything to the contrary in Article 6, if a Residential Common Element or Residential Limited Common Element benefits only certain Residential Unit Owners, then the costs of alteration, addition, repair, replacement and restoration thereto (except in connection with a casualty or condemnation shall be borne solely by those Residential Unit Owners who benefit from the Residential Common Element or Residential Limited Common Element in the proportion that the Common Interest of each benefiting Residential Unit

Owner bears to the Common Interest of all benefiting Residential Unit Owners. In addition, except as otherwise provided in the By-Laws, such Residential Unit Owners shall be responsible for the normal operation and Maintenance, including but not limited to the cost of staff necessary for such operation and Maintenance, of any such Residential Common Element or Residential Limited Common Element at their sole cost and expense. Common Expenses shall include, without limitation, such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Residential Common Elements or the Residential Limited Common Elements and the rental or purchase of an apartment to be used as the residence of the Building superintendent/resident manager and all costs and expenses associated therewith.

6.1.3 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Condominium Board as agent for and on behalf of the Unit Owners, or forming a part of or included in any Residential or Commercial Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Condominium Board as agent for and on behalf of the Unit Owners. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.4 Common Expenses shall include real estate taxes on the Property until the Units are separately assessed.

6.1.5 Notwithstanding anything to the contrary herein, no part of the net earning of the Condominium may inure (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 Unit Owner or individual.

6.2 **Insurance.**

6.2.1 The Condominium Board shall be required to obtain and maintain to the extent obtainable the following insurance: (a) property insurance with all risk extended coverage, vandalism and malicious mischief endorsements and increased cost of construction endorsements, insuring the entire Building (other than the Units), together with all service machinery contained therein and covering the interests of the Condominium, the Board and all Unit Owners and their Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings and at the election of the Condominium Board in its sole and absolute discretion, terrorism insurance), said policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler

and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Board; (f) water damage insurance to the extent, if any, determined by the Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering the Board and all officers, directors, managing agents and employees of the Condominium; (i) directors and officers liability insurance; and (j) such other insurance as the Board may determine. The premiums for all insurance referred to above shall be a Common Expense.

6.2.2 All such policies shall provide that adjustment of loss shall be made exclusively by the Condominium Board. Insurance proceeds with respect to any loss shall be payable to the Board except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000, shall be payable to a New York City bank or trust company designated by the Condominium Board as Insurance Trustee (as hereinafter defined) pursuant to the provisions of Section 12.5. Notwithstanding anything to the contrary set forth above, to the extent required under the Permitted Mortgage, a Permitted Mortgagee holding such Permitted Mortgage secured by a Commercial Unit will have the right to participate in any adjustments regarding loss or damage to the General Common Elements and the Commercial Section and no such adjustment will be made without the consent of such Permitted Mortgagee.

6.2.3 All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured, or (iv) pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. The Board and all Unit Owners hereby waive their subrogation rights."

6.2.4 Except for Workers Compensation and New York Statutory Disability Insurance, coverages the Boards and the Unit Owners each agree that they shall make no claim for recovery against each other for damages to or loss of the demised premises or improvements and betterments thereon, and injury or damage arising out of operations if such damage injury or loss is covered by valid and collectible insurance protecting the Board and the Unit Owners and which contains a clause permitting the insured to waive such rights prior to the occurrence of a loss. Such waiver of subrogation shall apply to all stated insurance coverages herein. The Board and each Unit Owner, by acceptance of a deed for a Unit, shall be deemed to have waived their rights of subrogation.

6.2.5 The Condominium Board shall also be required to obtain and maintain, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as such Board may from time to time determine, covering (i) the Board, the managing agent or agents thereof, each Board member, and each officer and employee of the Condominium and Residential and Commercial Section, (ii) the Commercial Unit Owner, all officers, directors and employees thereof, and its managing agent or agents and each Residential Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owner's own Unit or within the Limited Common Elements, if any, appurtenant to such Unit Owner's Unit. The Condominium Board shall review such limits once each year. The insurance required in accordance with this Subsection 6.2.4 shall also cover cross-liability claims of one insured against another.

6.2.6 Any insurance maintained by the Condominium Board may provide for such deductible amounts as such Board determines.

6.2.7 The Condominium Board is not required to obtain or maintain any insurance with respect to a Unit or any personal property contained in a Unit. A Unit Owner shall, at the Unit Owner's own cost and expense, obtain and keep in full force and effect (a) comprehensive personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from the Unit or any part thereof, with minimum combined single limits of liability of $1,000,000 for bodily injury or death arising out of any one occurrence including $1,000,000 for damage to property and (b) tenant's "all-risk" property insurance in respect of property damage occurring in, upon, or from the Unit or any part thereof (including, but not limited to appropriate coverage for additions, alterations improvements and betterments and loss due to water damage and personal property). The limits of liability set forth in (a) and (b) above may be increased by the Condominium Board from time to time. The insurance required above shall be written in form reasonably satisfactory to the Condominium Board by good and solvent insurance companies of recognized standing, admitted to do business in the State of New York. Upon ten (10) days' written notice from the Condominium Board or the Managing Agent, the Unit Owner shall deliver to the Condominium Board a duplicate original of the aforesaid policies, certificates evidencing such insurance or such other confirmation satisfactory to the Condominium Board. To the extent a party is insured for loss or damage to property, such party will look to its own insurance policies for recovery. Policies maintained by Unit Owners pursuant to this Subsection must provide that they cannot be canceled without at least thirty (30) days prior notice to the Condominium Board.

6.3 **Repair or Reconstruction after Fire or Other Casualty.**

6.3.1 In the event that either (i) the Building or any part thereof (other than the Units) is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the General Common Elements and/or Residential Common Elements and/or Limited Residential Elements, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 6.2 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $ 1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit Owners, with respect to the portion thereof allocated to a Casualty Loss to or Taking of the General Common Elements and the Units, and for the benefit of all Residential Unit Owners with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Residential Common Elements, the Limited Residential Common Elements and the Residential Units, and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 6.3. Notwithstanding anything to the contrary contained either in this Subsection 6.3.1 or elsewhere in this Section 6.3, however, no Unit Owner whose Unit, its appurtenant Limited Residential Common Elements, if any, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken)

shall be deemed to have waived whatever rights that he may have to pursue a separate claim against the condemning authority by reason thereof.

6.3.2 Except as otherwise provided herein, the Condominium Board shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building affected by such Casualty Loss or (ii) in the event of a Taking, the portion(s) of the Common Elements affected by such Taking. Damage or destruction to a Unit shall be promptly repaired and reconstructed by the Owner of the affected Unit(s). If, pursuant to the immediately preceding sentences, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. If a Unit Owner fails to repair or reconstruct such Unit Owner's Unit, the Condominium Board may cause the Unit to be repaired or reconstructed and the costs incurred in connection therewith shall be a charged to the defaulting Unit Owner as a Special Assessment. Nothing contained herein shall be deemed to obligate the Commercial Unit Owner to restore the Commercial Unit except to the extent that such restoration shall be necessary to maintain that portion of the Building visible to the public in good, clean and neat appearance, in conformity with the dignity and character of the Building.

6.3.3 In the event that Work shall be performed pursuant to the terms Subsection 6.3.1 and 6.3.2, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If only the Commercial Section (including the Commercial Common Elements) is destroyed or damaged by fire or other casualty and if the net insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the Commercial Unit Owner will bear the entire amount of the deficit as a Common Expense, or shall receive all of the surplus, as the case may be. Similarly, if only the Residential Section (including the Residential Units, Residential Common Elements and/or the Residential Limited Common Elements) is damaged or destroyed by fire or other casualty and the insurance proceeds are less than sufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be borne by Residential Unit Owners or profit, respectively, and shared entirely by all Residential Unit Owners in proportion to their respective Common Interests. If said damage or destruction by fire or other casualty affects the Commercial Section, the Residential Section and the General Common Elements, or any combination of two thereof, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in proportion to their respective Common Interests in the proportion that the cost of repairing the damage or destruction to the Residential Section, Commercial Section and General Common Elements, as the case may be, bears to the total cost of repairing all damage or destruction. However, the Commercial Unit Owner shall still have the right to make all arrangements for the prompt repair and restoration of the Commercial Unit to the extent they are affected by such damage or destruction. If said damage or destruction, however, affects only the General Common Elements, then any deficit or surplus in insurance proceeds shall be borne as a Common Expense or profit, respectively, as provided in 6.1.1 or shared by all Unit Owners in proportion to their Common Interests. Any surplus payable to any Unit Owner pursuant to this Section 6.3 shall be lessened by such amounts as may be required to reduce unpaid liens (other than mortgages which are not Permitted Mortgages) on any such Unit in the order or priority of such liens.

6.3.4 If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty, the Work shall not be performed unless 75% or more of all Unit Owners (including Declarant, if Declarant shall then own any Units), shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of Subsections 6.3.1 and 6.3.2 hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the General Common Elements and to all Residential Unit Owners in proportion to their respective, Residential Common Interest, to the extent allocated to destroyed or damaged portions of the Residential Units or the Residential Common Elements or the Residential Limited Common Elements, and to the Commercial Unit Owner, to the extent allocated to destroyed or damaged portions of the Commercial Unit, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

6.3.5 If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of Section 6.3.4 hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Residential Limited Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Residential Limited Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest, appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

6.3.6 As used in this Section 6.3, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) sixty days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) ninety days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of Subsection 6.3.1,

sixty days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than sixty days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

6.3.7 Any dispute that may arise under this Section 6.3 between any Unit Owners or the Board shall be resolved by Arbitration.

6.4 **Payment of Common Charges.**

6.4.1 The Residential Unit Owners and the Commercial Unit Owner shall be obligated to pay to the Condominium Board the Common Charges assessed to them by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times as the Condominium Board determines. No Unit Owner may be exempted from liability for such Unit Owner's Common Charges by waiving use of any Common Elements or by abandonment of such Unit Owner's Unit. Dissatisfaction with the quantity or quality of maintenance or services furnished to the Property or the degree to which the construction in the Building shall have been complete shall not be grounds for a Unit Owner withholding or failure to pay all or any portion of the Common Charges or any other assessments. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.4.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against such Unit Owner's Unit subsequent to a sale or other conveyance by him (made in accordance with these By-Laws) of such Unit together with its appurtenant Common Interests. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges, and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit, convey for no consideration such Unit together with its appurtenant Common Interests, to Condominium Board or its designees, corporate or otherwise, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except that, to the extent permitted by Law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgage shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by Law, the Condominium Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit.

6.4.3 All liens provided for in Subsection 6.4.2, to the extent permitted by applicable Law, shall be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the Unit.

6.4.4 Notwithstanding Subsection 6.4.2, neither the seller nor the purchaser of a Residential Unit shall be liable for, nor shall the Residential Unit be conveyed subject to a lien for, any unpaid Common Charges against such Residential Unit accrued prior to such conveyance in excess of the amount set forth in a written statement from the Condominium Board.

6.4.5 In the event that prior to the Units being separately assessed for real estate tax purposes, the Board pays real estate taxes on behalf of a Unit Owner, the amount of such real estate taxes shall be deemed to be Common Charges, and the Board shall have a lien (as provided in Subsection 6.4.2) for any such accrued and unpaid amounts.

6.5 **Collection of Common Charges.** The Condominium Board shall take prompt action to collect any Common Charges due to the Board which remain unpaid for more than thirty days after the due date for payment thereof.

6.6 **Default in Payment of Common Charges and Other Obligations.** In the event any Unit Owner fails to make payment of Common Charges or Assessments when due, such Unit Owner shall be obligated to pay (a) a "late charge" equal to the greater of $150.00 or one (1%) percent of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid), and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) on such unpaid amounts computed from the due date, thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Condominium Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in any action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or in any other manner permitted by Law. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges payable by such Unit Owner. Notwithstanding the foregoing, the Board may establish its own alternate fees for late payments, whether such fees are more or less than the charges set forth herein. In addition the Board may suspend a Unit Owner's voting rights and privileges for failure to pay any Common Charges or Assessments due.

6.7 **Foreclosure of Liens for Unpaid Common Charges.** In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of such Unit Owner's Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Board, acting on behalf of all Unit Owners, shall have the power to purchase any such Unit or portion thereof at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit or portion thereof (but not to vote the votes appurtenant to such Unit or portion thereof). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure sale (after

deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8 **Statement of Common Charges.** The Condominium Board shall promptly provide any Unit Owner who so requests, with a written statement of all unpaid Common Charges due to it from Unit Owners.

6.9 **Maintenance and Repairs.**

6.9.1 Except as otherwise provided in the Declaration or these By-Laws, all Maintenance, (a) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws) and the entrance doors thereto shall be made by the owner of such Unit at such Unit Owner's sole cost and expense, and (b) in or to the Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Residential Unit Owners and the Commercial Unit Owner as a Common Expense.

6.9.2 Notwithstanding the provisions of Subsection 6.9.1:

6.9.2.1 In the event that any Maintenance to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner or any guest, agent, licensee, tenant or invitee of a Unit Owner, the entire cost thereof shall be borne by such Unit Owner, or (b) the Condominium Board, the entire cost thereof shall be charged to the Residential Unit Owners and the Commercial Unit Owner as a Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

6.9.2.2 The interior and exterior glass surfaces of all windows located in any Residential Unit shall not be colored or painted and no neon or colored lights may emanate therefrom and the windows may not be modified, altered or replaced without the consent of the Condominium Board. All normal Maintenance of any Terrace shall be made by the Residential Unit Owner having access to such Terrace at such Unit Owner's own cost and expense, but any structural or extraordinary repairs or replacements to such Terrace (including any leaks which are not caused by the negligence of the Residential Unit Owner having access to the same) shall be made by the Condominium Board and the cost and expense thereof shall be charged to all Residential Unit Owners as a Common Expense. The Condominium Board will have the right to require a Residential Unit Owner to obtain the consent of the Condominium Board prior to installing plantings, surface coverings and other furniture, equipment and installations on the Terraces and may require a Residential Unit Owner to remove same, at such Residential Unit Owner's sole cost and expense, if the Condominium Board determines, in its discretion, that such plantings, surface coverings, furniture, equipment or other installations adversely affect the integrity of the roofs or adversely affect the appearance of the Building. A Residential Unit Owner will be obligated, at such Unit Owner's sole cost and expense, to remove plantings, surface coverings and other furniture, equipment and installations from the Terrace, if requested by a Board, to facilitate access to the roofing system or other Common Elements pursuant to the Declaration or these By-Laws. No Terrace may be enclosed without the express written consent of the Condominium Board. The Condominium Board may establish such other

rules and regulations as they deem necessary to protect the Common Elements and the Units and to insure the integrity of the Building and the health and safety of the occupants.

6.9.2.3 The exterior surface of all windows in the Residential Section if so determined by the Condominium Board, shall be washed and cleaned by the Board and the cost and expense thereof shall be a Common Expense. Otherwise, the exterior of all windows in the Residential Section shall be washed or cleaned at the cost and expense of the Residential Unit Owner. The interior glass surfaces of all windows located in any Unit and the exterior glass surfaces of all windows located in the Commercial Unit shall be washed and cleaned by the Unit Owner or occupant thereof at such Unit Owner's sole cost and expense. No Unit Owner or occupant shall clean or permit to be cleaned any window or require, permit or allow it to be cleaned, from the outside, in violation of Section 202 of the Labor Law of the State of New York, or any future Law of like import, or (if applicable) in violation of the rules of the Board of Standards and Appeals of the City of New York or any other governmental authority having jurisdiction over the Land or the Building. Each Unit Owner shall indemnify the Condominium Board and the other Unit Owners, and their respect agents and employees, for all losses, damages, or fines suffered by any of the them as a result of a violation of Law.

6.9.2.4 The exterior of all front doors of Residential Units shall not be painted or decorated other than with the consent of the Condominium Board.

6.9.2.5 No awnings, air conditioning equipment, ventilators or other Facilities or equipment will be installed or modified in the Residential Section without prior written approval of the Condominium Board.

6.9.2.6 Any repairs or Maintenance work performed with respect to the HVAC units in each Residential Unit shall only be performed by a company or individual previously approved by the Condominium Board.

6.9.2.7 Routine maintenance and repairs of the vault space in the Cellar shall be the obligation of the Condominium Board or the Commercial Unit Owner having the exclusive use thereof. The costs of any structural repairs, including repairs to the foundations or retaining walls adjacent to the vaults and the closing of the vaults shall be performed by the Condominium Board and the cost therefor shall be a Common Expense.

6.9.3 Each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any Terrace, roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water to the extent same would cause damage to the Building) by the Unit Owner or the Board, whichever is responsible for the Maintenance thereof as set forth herein, and such Unit Owner or the Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all Maintenance necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good, clean and neat appearance, in conformity with the dignity and character of the Building, by (a) the Board with respect to such parts of the Building required to be Maintained by it, (b) each Unit Owner with respect to such Unit Owner's Unit and any Limited Common Elements required to be Maintained by the Unit Owner, including, without limitation shades, venetian or other blinds, drapes, curtains or other window decorations in or in

or appurtenant to such Unit Owner's Unit. Notwithstanding anything to the contrary set forth above, the Condominium Board shall not, without the consent of the Commercial Unit Owner, decrease the level of services (including, but not limited to heat and cooling) supplied to the Commercial Unit as of the date of the filing of the Declaration.

6.9.4 In the event of an Emergency (i) affecting the Residential Section, Commercial Section employees will assist Residential Section employees, and (ii) affecting the Commercial Section, Residential Section employees will assist Commercial Section employees and the costs thereof shall be appropriately allocated to the Section receiving the benefit of such assistance.

6.9.5 Each Unit Owner will be obligated to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner that fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

6.10 **Violations of Obligations.**

6.10.1 In the event that any Residential Unit Owner, within a reasonable time after receipt of written notice from the Condominium Board, fails to perform any of its obligations with respect to the Maintenance of its Unit as provided in this Article 6 or of any Limited Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Condominium Board may, but shall not be obligated to, perform or cause to be performed such Maintenance unless such Residential Unit Owner, within thirty (30) days after receiving notice of such default from the Condominium Board (or sooner in the case of Emergency), cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such Maintenance by the Condominium Board, together with interest thereon at the rate of 2% per month from the date on which such Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Residential Unit Owner to such Board and shall, for all purposes hereunder, constitute Common Charges payable by such Residential Unit Owner.

6.10.2 In the event that any Commercial Unit Owner fails or neglects in any way to perform any obligation with respect to the Maintenance of such Unit Owner's portion of the Commercial Unit, the Condominium Board may, but shall not be obligated to, perform or cause to be performed any such Maintenance provided that (a) the Condominium Board gives the Commercial Unit Owner written notice that such repair or replacement is necessary and that the Condominium Board will complete such repair or replacement in the event the Commercial Unit Owner does not promptly act or complete the repair or replacement, and (b) the Commercial Unit Owner, within five days after receiving such notice, fails to cure its default, or in the case of a default not reasonably susceptible to cure within such period, fails to commence and to thereafter prosecute to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such Maintenance by the

Condominium Board, together with interest thereon at the rate of 2% per month from the date on which the Condominium Board first incurs any cost or expense (but in no event in excess of the maximum rate permitted by Law) shall be payable by such Commercial Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Commercial Unit Owner. The Condominium Board shall have the right, in the event that the Commercial Unit Owner disputes the amount of such payment or whether the Commercial Unit Owner is obligated to pay the same, to submit such dispute to Arbitration. The Commercial Unit Owner shall pay the cost of such repair or replacement only after a determination by Arbitration to the effect that (i) the repair or replacement was required to be performed by the Commercial Unit Owner, (ii) the Commercial Unit Owner failed to perform such repair or replacement, and (iii) the cost of such repair or replacement by the Condominium Board was reasonable. Any repair or replacement performed by the Condominium Board in accordance with the terms of this Subsection 6.10.2 shall be its sole responsibility with respect to the quality of such repair or replacement and the proper completion thereof. The Condominium Board shall indemnify the Commercial Unit Owner and hold it harmless from and against any claims, costs, expenses or liabilities whatsoever, including reasonable counsel fees, in any way incurred by the Commercial Unit Owner, in connection with the manner of completion of such Maintenance by the Condominium Board of any defect described herein (but not for the existence of the condition requiring such repair or replacement).

6.10.3 Each Unit Owner must strictly comply with the provisions of the Declaration, these By-Laws, and the rules and regulations. Failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief will not be exclusive of other remedies provided by Law.

6.11 Alterations, Additions, Improvements and Repairs of Units.

6.11.1 Except as otherwise provided in the Declaration, no Unit Owner shall make any alteration, addition, improvement or repair in or to such Unit Owner's Unit involving structural work or which impact upon Building systems, without the prior written approval of the Condominium Board. Such Board shall have the obligation to answer any written request by their respective Unit Owners for approval of a proposed structural alteration, addition, improvement or repair in or to such Unit Owner's Unit within 45 days after such request is received, and the failure to do so within the stipulated time shall constitute such Board's consent to the proposed alteration, addition, improvement or repair. With respect to any alteration, addition, improvement or repair, the Condominium Board may exercise the right to reasonably approve the contractors and suppliers, performing alteration, addition, improvement or repair in any Unit and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Board may be setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. In addition, the Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements. The Board may impose fees upon a Unit Owner to reimburse the Board for its costs incurred in reviewing or supervising the aforesaid work. The foregoing provisions shall not apply to Declarant or its designee or a Permitted Mortgagee (or its designee) of Declarant or its assignee,

which shall not be required to obtain the approval of the Board for any alteration, addition, improvement or repair, whether structural or non-structural in or to Unsold Residential Units or the Commercial Unit, enter into any alteration agreement with respect thereto or perform any additional work as a condition thereof.

6.11.2 All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all Laws of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold the Board and all other Unit Owners harmless from any costs or liability arising therefrom.

6.11.3 Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the Condominium Board (if such approval is required) shall, if required by Law or such department or authority, be executed by said Board, provided that the Board shall not incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom. Notwithstanding anything to the contrary set forth above, Declarant or its designee or a Commercial Unit Owner is hereby authorized on behalf of the Board to execute the Required Documentation may be required to undertake, perform and complete such work to the Building (including the Units and Common Elements) as Declarant is obligated or entitled to perform in accordance with the terms of the Plan or the Declaration and these By-Laws (including, without limitation, any certificates as may be required to amend the existing certificate of occupancy to reflect a reconfiguration of the Units and/or a change in use) and to obtain such certificates of completion as may then be required by Law and the Board, if requested by Declarant or its designee or a Commercial Unit Owner, shall execute the Required Documentation.

6.11.4 In the event that any alterations, additions, improvements or repairs made by any Residential Unit Owner materially delay, prevent or adversely affect, or create a significant risk of materially delaying, preventing or adversely affecting, whether directly or indirectly, the issuance or reissuance of a temporary or permanent certificate of occupancy for other Units or the Building, then upon the written request of Declarant or the Condominium Board, the Unit Owner shall restore the Unit, at such Unit Owner's sole cost and expense, to its original condition. If such Unit Owner fails to commence diligently and continuously restoring the Unit within fifteen (15) days of receipt of the written request, then the Declarant or the Board, as the case may be, requesting such restoration shall be entitled to enter and restore the Unit at the expense of the Unit Owner and to exercise any other remedies provided in these By-Laws.

6.11.5 Until such time as the initial construction of the Building is complete, including the completion of "punch list" work, neither the Board nor Unit Owner shall use or suffer to be used in any part of the Building any labor forces incompatible with the labor forces which are completing the construction of the Building on behalf of Declarant. In addition, the prosecution of the work necessary to complete initial construction of the Building, including the

completion of "punch list" work by or on behalf of Declarant, shall take precedence over the prosecution of any other work at the Building.

6.12 **Alterations, Additions, Improvements or Repairs to Common Elements.** Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements or repairs (i) in or to any Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Residential Unit Owners and the Commercial Unit Owner as a Common Expense or (ii) in and to a Unit by the Unit Owner thereof at the Unit Owner's sole cost and expense. Whenever in the judgment of the Condominium Board the cost of any alteration, addition, improvement or repair would exceed $100,000 in the aggregate in any calendar year (except if such alteration, addition, improvement or repair is provided for in a duly approved budget), then such proposed alteration, addition, improvement or repair shall not be made unless first approved by a Majority of Residential Unit Owners, a Majority of Commercial Unit Owners, or a Majority of Unit Owners, as the case may be, who shall be required to bear the cost and expense thereof as aforesaid and by the Residential Mortgage Representatives (as hereinafter defined), as the case may be, if any, with respect to alterations, additions, improvements or repairs made by the Condominium Board. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions, improvements or repairs costing in the aggregate $100,000 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners or said Mortgage Representatives.

6.13 **Alterations of Certain Common Elements.**

6.13.1 In the event that pursuant to any of the provisions of these By-Laws, any consent by the Condominium Board, Mortgage Representative or Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element (sometimes collectively referred to in this Section 6.13 as an "Alteration"), proposed to be made by Declarant or its designee, Unit Owners or the Board (sometimes collectively referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by such Board, Mortgage Representative or Unit Owner (referred to in this Section 6.13 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within 30 days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such 30-day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent, the Proponent, as its sole remedy, may make the proposed Alteration. In no event shall any arbitrator in such Arbitration determine that the Opposing Party reasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it, and (ii) that all costs and expenses for maintaining and repairing such Alteration after its completion will not be charged to Unit Owners represented by the Opposing Party as Common Expenses (b) the proposed Alteration would not materially interfere with the use and enjoyment

of the owners, tenants and occupants of those Units represented by the Opposing Party; and (c) the proposed Alteration would not materially weaken the structure of the building.

6.13.2 Nothing contained in Subsection 6.13.1 shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as such Proponent believes will meet the objections of the Opposing Party or of any arbitrator, or (b) any party's right, pursuant to the other applicable provisions of these By-Laws or the Declaration, to make any Alteration to a Common Element without the Opposing Party's approval.

6.14 **Restrictions on Use of Units.**

6.14.1 In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, each Residential Unit shall be used for residential purposes only, except as otherwise herein expressly provided. A Residential Unit may be owned by an individual, corporation, partnership, fiduciary, limited liability company or any other entity (including, but not limited to, the United States government and any instrumentality thereof and foreign governments and any embassy, consulate or other instrumentality thereof).

6.14.1.1 The Condominium Board or the Declarant (in connection with the conveyance of an Unsold Residential Unit) may, in their respective discretion, grant permission for the use of a Residential Unit as a professional office or for any other purpose, provided such use (1) is permitted by Law, (2) does not violate the then existing certificate of occupancy for such Residential Unit, (3) does not adversely affect the use and enjoyment of neighboring or adjacent Residential Units for residential purposes, and (4) complies with all applicable governmental regulations. Such permission by the Condominium Board or the Declarant, as the case may be, shall be in writing and shall be personal to the Residential Unit Owner. Any successor in title to such Residential Unit shall be required to obtain the prior written approval of the Condominium Board before using such Residential Unit as a professional office or for any other purpose.

6.14.1.2 No portion of a Residential Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this Subsection 6.14.1) may be accommodated therein.

6.14.2 Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of ten (10) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install, at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable Law and in any event, without full knowledge of the Managing Agent. Please see the Section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers" for further details.

6.14.3 Notwithstanding the provisions of Subsection 6.14.1, Declarant or its designee may, without the permission of the Condominium Board, (a) grant permission for the use of any Unsold Residential Unit as a professional office or for any purpose, including, without limitation, use as a long or short term rental, transient hotel, timeshare or other use, provided

such use is permitted by Law, does not violate the then existing certificate of occupancy for such Residential Unit (subject to Declarant's right to amend the certificate of occupancy to conform to use as provided in Section 6.14.4 of these By-Laws) and the user of such Unit complies with all applicable governmental regulations with respect to such use, and (b) use any Unsold Residential Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to the provisions of the Declaration and these By-laws and in compliance with applicable governmental Law.

6.14.4 No Unit Owner shall use, store, generate, treat, transport, handle or dispose of within its Unit or elsewhere in the Building any Hazardous Substances, other than ordinary cleaning fluids which are used, stored, generated, treated, transported, handled and disposed of by an Occupant in strict compliance with applicable Law. "Hazardous Substances" means any pollutants, contaminants, toxic or hazardous substances, materials, wastes, constituents, compounds or chemicals (including, without limitation, petroleum or any by-products or fractions thereof, any form of natural gas, lead, asbestos and asbestos-containing materials, building construction materials and debris, polychlorinated biphenyls ("PCBs") and PCB-containing equipment, radon and other radioactive elements, ionizing radiation, electromagnetic field radiation and other non-ionizing radiation, infectious, carcinogenic, mutagenic, or etiologic agents, pesticides, defoliants, explosives, flammables, corrosives and urea formaldehyde foam insulation) that are regulated by, or may now or in the future form the basis of liability under, any Law. Unit Owners shall have the responsibilities of an "owner" of their respective Units under Local Law 38 of 1999 or any other Law governing the use or removal of lead-based paint or other Hazardous Substances within each Unit and by execution of a deed for a Unit shall agree to indemnify and hold harmless each Board and other Unit Owners arising from the failure of a Unit Owner to comply with such Unit Owner's obligation arising from the foregoing.

6.14.5 The Commercial Unit may be used for any purpose permitted by Law. In no event may the Board adopt or enforce any rule or regulation or any amendment to the Declaration or these By-Laws which would have the effect of restricting or limiting the operation of the Commercial Unit.

6.14.6 Consistent with the foregoing, in the event Declarant or its designee or a Commercial Unit Owner seeks to change an existing use, Declarant, its designee and/or such Commercial Unit Owner shall have the right, from time to time, to amend the certificate of occupancy for the Commercial Building to reflect such changed usage. In the event required by applicable Law, the Condominium Board shall cooperate with the Declarant or its designee or a Commercial Unit Owner, at the requesting party's expense, execute all applications, authorizations and other instruments reasonably required to enable the Declarant or its designee or a Commercial Unit Owner to amend the certificate of occupancy, provided that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any person having any claim for injury to person or damage to property arising therefrom. In addition to the foregoing, Declarant or its designee or a Commercial Unit Owner shall have the authority to execute the foregoing on behalf of the Board, in accordance with Section 6.11.3 of these By-Laws.

6.15 **Use of Common Elements.**

6.15.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.15.2 No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, the public elevator or any other parts of the General or Limited Common Elements other than in (a) Residential Limited Common Elements for the exclusive use of a particular Residential Unit Owner or (b) in the areas designated as storage areas, with the prior consent of the Condominium Board as to the Common Elements. The lobbies, vestibules, public halls, stairways and the public elevator shall be used only for normal passage through them.

6.15.3 Residential Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise or other objects.

6.15.4 In the event that the Condominium Board erects a sidewalk bridge or other scaffolding at the Building, the Condominium Board shall give due regard to the use of the Commercial Unit at the time in question and shall use best efforts to (i) minimize any disruption to the use of such Commercial Unit and (ii) not restrict ingress or egress through the exterior doorways to the Commercial Unit. In furtherance thereof, the Condominium Board agrees to consult with the Commercial Unit Owner prior to the installation of such sidewalk bridge or other scaffolding and to permit the Commercial Unit Owners to install, at their cost and expense, Signs upon the sidewalk bridge and scaffolding.

6.15.5 The Storage Bins may only be used in accordance with Law and only for the storage of the personal effects of the Residential Unit Owner having exclusive access to such Storage Bin and nothing can be stored in the Storage Bins which would constitute a threat to the health or safety of the Unit Owners or other occupants of the Building or otherwise create a nuisance in the Building. Declarant will initially be will be responsible for assigning the Storage Bins among the Residential Unit Owners and any subsequent assignments will be made by the Condominium Board. Residential Unit Owners will be responsible for all normal Maintenance to the Storage Bins; however the costs and expenses of any structural or extraordinary repairs or replacements shall be a Common Expense charged to all Residential Unit Owners. The Condominium Board has the authority to promulgate rules regarding use of and access to the Storage Bins and the procedures for assigning the Storage Bin License. A Residential Unit Owner may transfer the Storage Bin License to the Condominium Board which shall be authorized to reissue such Storage Bin License to another Residential Unit Owner for such consideration as the Condominium Board shall deem appropriate.

6.15.6 Except pursuant to rules adopted by the Condominium Board, which may not be adopted or amended without the Commercial Unit Owner's consent, and the terms and provisions of the Declaration and these By-Laws, in no event shall the Condominium Board or Unit Owners impair, restrict or impede the use of the General Common Elements described in the Declaration, by the Commercial Unit Owner or anyone claiming by, through or under the

Commercial Unit Owner including, but not limited to, the tenants and occupants of any portion of the Commercial Unit or their respective licensees or invitees.

6.15.7 The owner of any two or more Residential Units, which Units are serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway which is directly adjacent to any such Units located on opposite sides of such hallway) shall, to the extent permitted by Law and with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the exclusive right of use of such Common Element as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made, provided such owner agrees, at its sole cost and expense, to (a) be responsible for the operation and Maintenance of such Common Element for so long as such owner exercises such exclusive right of use, and (b) restore such Common Element to its original condition, reasonable wear and tear excepted, after such owner ceases to exercise such exclusive right of use. The owner of any such Units which are Unsold Residential Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board. Notwithstanding the above, if an owner transfers or conveys its Residential Units to a successor owner, the transferor need not comply with (b) above provided that the transferee agrees to abide by (a) and (b) above.

6.16 **Other Provisions as to Use.** No nuisance shall be allowed in the Residential Section nor shall any use or practice be allowed in the Residential Section which is a source of annoyance to the residents or occupants of the Property or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Residential Section or any portion thereof. All valid Laws of governmental bodies having jurisdiction thereof, relating to any portion of the Property shall be complied with at the full expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain or repair such part of the Property. Except as otherwise provided in the Declaration, the Commercial Section may be used for any lawful purpose including, without limitation, department and other retail stores, health clubs, theaters, banks, restaurants, commercial and professional offices; and no sale, lease, sublease or use of all or any portion of the Commercial Section shall be deemed to adversely affect the Residential Section.

6.17 **Right of Access.**

6.17.1 Each Residential Unit Owner shall grant a right of access to such Unit Owner's Unit to the Declarant for the completion of any work to be performed in the Building including but not limited to any punch list work in such Unit Owner's Unit, and to the Condominium Board, the managing agents, managers, superintendents and/or any other person authorized by any of the foregoing. The Commercial Unit Owner, upon the same terms and conditions as set forth in Section 6.24.1 and the Residential Unit Owners, shall grant a right of access to their Respective Units to the Board, the managing agents, managers, superintendents and/or any other person authorized by any of the foregoing for the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the General or Limited Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations by such

Unit Owner or correcting any conditions originating in such Unit Owner's Unit and threatening another Unit or all or any part of the General or Limited Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the General or Limited Common Elements within such Unit Owner's Unit or elsewhere in the Building, or for the purpose of reading, maintaining or replacing utility meters relating to the General or Limited Common Elements, Unit or any other Unit in the Building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made not less than one day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business by the tenants and occupants of the Commercial Unit or with the use of the Residential Units for their permitted purposes. In case of an Emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.17.2 A Unit Owner shall grant a right of access to such Unit Owner's Unit, and the Condominium Board shall grant rights of access to the General Common Elements and the respective Limited Common Elements to Declarant and its contractors, subcontractors, architects, engineers, agents and employees, for the completion of the Building and any punch list work therein, provided that access thereto shall be exercised upon reasonable notice during reasonable hours in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

6.18 **Rules and Regulations.** Annexed hereto as Schedule A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Common Elements. The Condominium Board may from time to time, modify, amend or add to the Rules and Regulations as they affect the Residential Section except that a Majority of Residential Unit Owners may overrule such Board with respect to any such modification, amendment or addition. The Condominium Board shall also have the authority to promulgate special rules and regulations concerning the use of storage space, if any, for the personal property of the Residential Unit Owners. The Condominium Board may from time to time, modify, amend or add to the Rules and Regulations as they affect the use of the Commercial Unit and the Commercial Common Elements, except that a Majority of Commercial Unit Owners may overrule said Board with respect to any adoption, modification, amendment or addition affecting such Commercial Unit Owner. The Condominium Board may from time to time, modify, amend or add to the Rules and Regulations as they affect the use of the General Common Elements, except that a Majority of Unit Owners may overrule said Board with respect to any such adoption, modification, amendment or addition.

6.19 **Real Estate Taxes, Water Charges and Sewer Rents.** Water and sewer services shall be supplied to and for all of the Units and the Limited Common Elements through one or more building systems by the City of New York or such other utility servicing the Unit. Except to the extent Unit Owners are billed directly by the City Collector, the Condominium Board shall pay all such charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. The Condominium Board shall collect such charges from the Commercial Unit Owner based on separate submetering of such Units, and will remit such amount to the Condominium Board. The remaining costs for the Building will be paid by the Residential Unit Owners and included in Common Charges. Until the Units are separately assessed for real estate tax purposes, the Residential and Commercial Unit Owners shall pay

their respective pro rata share of all real estate taxes with respect to the Property (in the proportion that the Common Interest of all Residential Units or the Commercial Unit, as the case may be, bears to the Common Interests of all Units) to the Condominium Board as Common Charges, which will in turn pay such taxes to the proper authorities of The City of New York. In the event of a proposed sale of any Residential Unit, the Condominium Board, on request of the selling Residential Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title insurance company, a letter agreeing to pay all charges for water, sewer rents and real estate taxes (so long as such Board is still collecting and paying such charges) affecting such owner's Unit to the date of the closing of title to such Unit, promptly after such charges have been billed by the proper authorities.

6.20 **Fuel.** Unless and until fuel is billed directly to Residential Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of fuel (for heating and cooling) serving or benefiting any Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, and (ii) charged as a Common Expense. In the event there is a particular or unique use being made of a Unit and/or Common Element, the Condominium Board shall cause a survey to be made the cost of which shall be borne by the Unit Owners engaging in such unique use.

6.21 **Gas.** Gas for the Residential Section will be supplied by the utility company servicing the gas distribution system and charges therefor shall be paid by the Condominium Board. The cost of gas consumed in the Residential Section will be borne by the Residential Unit Owners as a Common Charge. Gas consumed in the Commercial Section will be separately metered and billed directly to each Commercial Unit Owner utilizing gas.

6.22 **Electricity.** Electricity for each Residential and Commercial Unit (including tenants occupying portions of the Commercial Unit) shall be supplied by the utility company servicing the Units and separately metered for each Unit (or portion thereof). Each Unit Owner shall be required to pay the bills for electricity consumed or used in such Unit Owner's Unit (or portion thereof) and the Limited Common Elements to which such Unit has exclusive access, directly to the utility company as directed by such Board. Electricity for the Residential Common Elements shall be supplied through one or more separate meters therefor and the cost thereof will be paid by the Condominium Board and will be borne by the Residential Unit Owners as Common Charges.

A Unit Owner who has a complaint about such Unit Owner's submetered electricity bill shall first attempt to resolve any dispute regarding electrical service or charges with the Managing Agent. If a satisfactory resolution is not obtained then a Unit Owner shall bring said complaint in writing before the Condominium Board and shall send a copy of the complaint to the Managing Agent. If the Condominium Board is unable to provide a satisfactory resolution to the Unit Owner within 30 days after the Condominium Board receives the complaint, then the complainant will be provided written notice of the grievance procedure rules summarized below and the complaint shall be submitted to arbitration proceedings which shall be conducted in accordance with the rules of the American Arbitration Association. The cost of such arbitration shall be paid by the Condominium Board. The American Arbitration Association shall be asked to appoint the arbitrator.

The arbitrator shall be obliged to provide a full and fair hearing within 15 days of the filing of the compliant with the arbitrator, unless the Unit Owner requests a longer period to prepare such Unit Owner's case. At the hearing both sides may be represented by counsel or other designated persons, produce witnesses, submit documentary evidence and cross-examine adverse witnesses. The arbitrator shall be obligated to issue a written decision specifying the grounds for its decision and evidence relied upon therein, within 10 days of the hearing. The decision of the arbitrator shall be binding on all parties to the proceeding, and shall not be appealable. Records on all such complaints and decisions shall be maintained by the Condominium Board for at least 3 years from the date the complaint is first brought.

Notwithstanding the fact that a Unit Owner has filed a complaint about an electricity bill or that an arbitration is pending or proceeding, the complaining Unit Owner must continue to pay such Unit Owner's electricity bill to the Condominium Board or its agent. Failure to make any payment when due may subject the Unit Owner to penalties and/or interest charges, as the same may be established, from time to time by the Condominium Board. Any refund due a complaining Unit Owner will be paid or credited to such Unit Owner by the Condominium Board or its agent promptly upon receipt by the Condominium Board or its agent of such payment or credit from the utility company.

Rates and charges to be paid by Unit Owners shall be based on the actual cost of the energy consumed. The Condominium Board or its agent may charge the Unit Owner the actual cost of providing an electricity billing statement charged by the Managing Agent or a submetering company. The capital and repair costs of the electronic submetering equipment will not be passed on to Unit Owners as part of their individual charges for electrical service. The capital costs of submetering the Property have been included in the Purchase Price for each Unit. Any costs for repair of the submetering system will be treated as a Common Expense of the Condominium and paid for through Common Charges.

Nothing contained herein shall preclude the Condominium Board, on behalf of Unit Owners, from filing a complaint concerning electricity provided to the Property with the Public Service Commission.

6.23 **Utilities Serving the Common Elements.** Except as otherwise provided in this Article 6, the cost and expense of water, sewer facilities, steam, electricity and gas serving or benefiting any Common Element shall be (i) considered part of the expense of maintaining such Common Element, (ii) determined by the Condominium Board, and (iii) charged as a Common Expense.

6.24 **Abatement and Enjoinment of Violations by Unit Owners.**

6.24.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Condominium Board the right, in addition to such other rights set forth in these By-Laws, (i) to enter any Residential Unit or Commercial Unit or General or Limited Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Board shall not thereby be deemed guilty or liable in any manner of

trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.24.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Declarant or its designee shall give to Declarant and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.24.3 In the event Condominium Board and/or the Declarant (hereinafter the "Creditor Party") takes any action or brings any proceeding against a Unit Owner (hereinafter the "Defaulting Unit Owner") pursuant to the provisions of this Section, the Defaulting Unit Owner shall reimburse the Creditor Party for all reasonable costs and charges incurred by the Creditor Party in connection therewith, including without limitation, attorneys fees, together with all reasonable out-of-pocket costs and expenses incurred by the Creditor Party, together with interest on all of the foregoing at the rate of interest of 1.5% per month (but in no event in excess of the maximum rate permitted by Law) from the date of the payment or performance of the service by the Creditor Party or due date (if otherwise provided herein), until fully paid by the Defaulting Unit Owner. The Creditor Party may bill the Defaulting Unit Owner therefor at any time. Funds expended by the Creditor Party plus interest earned thereon, as aforesaid, shall be deemed a charge assessed against the Defaulting Unit Owner's Unit and the failure to make such reimbursement shall be deemed a default in the payment of Common Charges subject to the provisions governing such defaults as set forth in the Condominium Act and the By-Laws and the Condominium Board, upon receipt of such funds from the Defaulting Party shall promptly reimburse the Creditor Party.

ARTICLE 7

MORTGAGES

7.1 **Notice to Board.** A Unit Owner who mortgages such Unit Owner's Unit, or the holder of any mortgage encumbering such Unit, shall notify the Condominium Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with such Board. The mortgage shall be substantially in the form of the New York Board of Title Underwriters or such other forms customarily used by lenders making loans secured by individual condominium units. Such Unit Owner shall, prior to making such mortgage, satisfy all unpaid liens against such Unit Owner's Unit other than Permitted Mortgages. A Unit Owner who satisfies a mortgage covering such Unit Owner's Unit shall so notify the Board and shall file a conformed copy of the satisfaction of mortgage with such Board. The Board shall maintain such information in a book entitled "Mortgages of Units."

7.2 **Notice of Default and Unpaid Common Charges.** Whenever so requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges, as the case may be, or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws which may to such Board's knowledge then exist.

7.3 **Performance by Permitted Mortgagees.** The Condominium Board shall accept, by any Permitted Mortgagee of a Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner. The Condominium Board shall accept, by any Permitted Mortgagee of a Commercial Unit Owner, payment of any sum or performance of any act required to be paid or performed by such Commercial Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Commercial Unit Owner and in such event the Permitted Mortgagee shall be entitled to an additional ten (10) day period after expiration of applicable notice and cure periods, within which to cure any monetary default by a Unit Owner hereunder and an additional thirty (30) days after expiration of applicable notice and cure periods; provided however, that in the case of a non-monetary default that cannot, in the exercise of diligence, be cured within such the thirty (30) day period, the Permitted Mortgagee shall have such time as is reasonably necessary to cure such non-monetary default (including any time reasonably necessary to obtain possession of the Property covered by such Permitted Mortgage if possession is necessary to enable such Permitted Mortgagee to cure or remedy such default or event of default) provided that such Permitted Mortgagee proceeds with all due diligence to cure or remedy such breach or default and/or obtain possession. In the event that more than one Permitted Mortgage is secured by a Unit, the senior Permitted Mortgagee shall be entitled to take all actions permitted under this Article unless all the Permitted Mortgagees otherwise designate a different Permitted Mortgagee to so act, by notice to the Condominium Board.

7.4 **Examination of Books.** Each Unit Owner and Permitted Mortgagee shall be permitted to examine the books of account of the Condominium (including, in the case of Residential or Commercial Unit Owners and Permitted Mortgagees thereof, the books of account of the Residential Section or the Commercial Section, as the case may be) at reasonable times, on business days, but not more than once a month.

7.5 **Representatives of Mortgagees.**

7.5.1 In the manner more particularly set forth in Subsection 7.5.2, the holders of Institutional Residential Mortgages (as hereinafter defined) may, at their election, designate one or more (but not more than three) representatives ("Residential Mortgage Representatives") who shall be empowered to act on behalf of all holders of Institutional Residential Mortgages, with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Residential Mortgage Representatives are so designated and notice thereof is given to the Condominium Board, the act of any such Representative (or a majority of such Representatives if more than one is so designated) shall be deemed binding upon the holders of all Institutional Residential Mortgages. As used herein, the term and "Institutional Residential Mortgage" means an Institutional Mortgage (defined below) covering a Residential Unit or Units. As used herein the terms "Permitted Mortgage" and "Institutional Mortgage" means any first mortgage covering a Unit or Units, the initial holder of which is (i) Declarant or its designee, (ii) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust, or (iii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

7.5.2 Any designation of a Residential Mortgage Representative made by the holders of Institutional Residential Mortgages, constituting a majority in principal amount of all Institutional Residential Mortgages shall be binding upon the holders of all Institutional Residential Mortgages. Any such designation of any Residential Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof, and (b) notice of such subsequent designation is given to the Board. Unless otherwise required by Law, all Permitted Mortgagees other than holders of an Institutional Residential Mortgage, shall have no right to participate in the selection of Residential Mortgage Representatives, but such Permitted Mortgagees shall be subject to all determinations made by such Residential Mortgage Representatives pursuant to the Declaration or these by-laws.

7.6 **Consent of Mortgagees.** Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Board, officer or Unit Owner; provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against such Unit Owner's mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 **Selling and Leasing.** No Residential Unit Owner, other than Declarant or its designee may sell or lease such Unit Owner's Unit except by complying with the following provisions.

8.1.1 Any Residential Unit Owner who receives a bona fide offer to (a) purchase such Unit Owner's Residential Unit together with its appurtenant Common Interest, or (b) lease such Unit Owner's Residential Unit (such offer to purchase or lease a Residential Unit, as the case may be, is called an "Outside Offer," the party making any such Outside Offer is called an "Outside Offeror" and the Residential Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which the Offeree Unit Owner intends to accept, shall give notice by certified or registered mail, return receipt requested, to the Condominium Board of the receipt of such Outside Offer. Said notice shall include the name and address of the Outside Offeror, the terms of the proposed transaction (including, but not limited to, the intended closing date in the event of a purchase or intended occupancy date in the event of a lease) and such other information as such Board may reasonably require. The giving of such notice to the Condominium Board, on behalf of all the Unit Owners represented by such Board, shall constitute an offer by the Offeree Unit Owner to sell such Unit Owner's Residential Unit together with its appurtenant Common Interest or to lease such Unit Owner's Residential Unit to the Condominium Board, or its designee, corporate or otherwise, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a representation and warranty by the Offeree Unit Owner to the Board acting on behalf of all Residential Unit Owners that the Offeree Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board may reasonably request. Not later than twenty (20) days after receipt of such notice together with such information as may have been requested, the Board may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period,

by hand delivery or by certified or registered mail, return receipt requested, to purchase such Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners represented by the Board, upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

8.1.2 In the event the Condominium Board shall timely elect to purchase a Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, then (a) with respect to a purchase, title shall close at the office of the attorneys for the Board, in accordance with the terms of the Outside Offer, within 45 days after the giving of notice by the Board of its election to accept such offer and (b) with respect to a lease, the lease, upon the terms set forth in the Outside Offer, shall be executed and deemed effective on the date the Board elects to accept such offer. Notwithstanding the foregoing, in the event that the closing date with respect to a purchase or the commencement date of the term of the lease, as the case may be, set forth in the Outside Offer, shall be later than 45 days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Outside Offer (except as otherwise expressly set forth in this Article 8) including, but not limited to, payment of a downpayment or advance rentals and security deposits, as the case may be, and such closing of title or the commencement of the term of the lease shall be the date set forth in the notice to the Board referred to in 8.1.1 as the intended closing date or commencement date, as the case may be. If pursuant to such Outside Offer, the Outside Offeror was to assume or take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board may purchase the Residential Unit and assume or take title to the Residential Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Residential Unit together with its appurtenant Common Interest is to be sold, shall convey the same to the Board, or to its designee, corporate or otherwise, on behalf of all Residential Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Offeree Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Board, or its designee, corporate or otherwise, as of the closing date. In the event such Residential Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, covering such Residential Unit, for the rental and term contained in such Outside Offer.

8.1.3 In the event the Board or its designee shall fail to accept such offer within 20 days after receipt of notice, as aforesaid, the Offeree Unit Owner shall have an additional 60 days to accept the Outside Offer by executing and delivering a contract or lease, as the case may be. In the event the Offeree Unit Owner shall not, within such 60-day period, accept in writing the Outside Offer, or if the Offeree Unit Owner shall accept the Outside Offer within such 60-day period but such sale or lease, as the case may be, shall not be consummated within an additional 60 days following the expiration of such 60-day period, then, should such Offeree

Unit Owner thereafter elect to sell such Residential Unit together with its appurtenant Common Interest or to lease such Residential Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1. Notwithstanding the foregoing, the Condominium Board, in its discretion, may waive the Offeree Unit Owner's obligation to comply with either or both of the 60 day periods described herein or may extend either or both such periods, provided that such waiver or extension shall only be effective if in writing.

8.1.4 Any deed to an Outside Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5 Any lease executed in connection with the acceptance of any Outside Offer to lease a Residential Unit shall be consistent with these By-Laws and shall provide that it may not be materially modified, amended or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign such Unit Owner's interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Condominium Board and that the Condominium Board, if permitted by applicable Law, shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease, or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

8.1.6 Except as hereinbefore set forth, the form of any such lease executed by the Condominium Board or an Outside Offeror shall be a printed, reasonably applicable form of residential lease which is generally approved by the Board which governs the Unit to be leased and is accepted in New York City, such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, and shall contain such modifications as shall be approved in writing by the Condominium Board. Any lease executed by the Condominium Board as tenant shall provide that the Condominium Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7 The foregoing restrictions of this Section 8.1 shall not apply to Unsold Residential Units or Units rented to or by Declarant or its designee, or the Commercial Unit (or any commercial condominium units into which the Commercial Unit may hereafter be divided). Declarant or its designee, and the Commercial Unit Owner shall have the right to freely sell their respective Units, or to freely lease all or any part of the Unsold Residential Units or the Commercial Unit, as the case may be, without having to first offer the same for sale or lease to the Condominium Board.

8.2 **Consent of Residential Unit Owners to Purchase or Lease of Residential Units by Condominium Board.** The Condominium Board shall not exercise any option hereinabove set forth to purchase or lease any Residential Unit without the prior approval of a Majority of Residential Unit Owners and subject to the right of the Declarant to veto such purchase or lease in accordance with these By-Laws. However, the Condominium Board shall

have the right to release or waive such option without the prior approval of a Majority of Residential Unit Owners.

8.3 **Sovereign Immunity.** Notwithstanding anything to the contrary set forth above, before any Residential Unit is conveyed to a government or governmental mission, or to a department, agency or consulate of a government, or to any other party who or which may be entitled under applicable laws, conventions or treaties (including, without limitation, the United States Foreign Sovereign Immunities Act as same may be amended) to any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise (or diplomatic or consular immunity, if applicable) (such grantee hereinafter referred to as a "Governmental Entity"), from any legal or equitable proceedings in the United States of America or elsewhere, the Condominium Board may require that the potential grantee enter into an agreement with the Board, on terms acceptable to the Board and its counsel, in which the potential grantee (i) agrees to a specified arrangement for service of process, (ii) expressly and irrevocably waives, to the full extent permitted by law (including, without limitation, the United States Foreign Sovereign Immunities Act, as same may be amended), with respect to the potential grantee, and with respect to any and all other intended occupants of the Unit, any present or future claim to any immunity, whether characterized as sovereign immunity or otherwise, (and diplomatic and consular immunity, if applicable) from any legal or equitable proceedings in the United States of America or elsewhere, brought by the Board or any other party claiming with respect to the Unit (including without limitation, immunity from service of process, immunity from jurisdiction of any court or tribunal, and immunity of any of that party's property from attachment prior to entry of judgment and from attachment in aid of execution, and from execution itself, upon a judgment), (iii) agrees that any legal action or proceeding with respect to the Unit may be brought in the courts of the State of New York, and in the City of New York, or in the United States District Court for the Southern District of New York, as the Board shall elect, and (iii) permits execution and enforcement of any judgment obtained by the Board. The foregoing provisions do not apply to sales of Unsold Residential Units.

8.4 **No Severance of Ownership.**

8.4.1 No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to such Unit Owner's Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, 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. No part of the Common Interest appurtenant to any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interest is appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant Common Interests of all Units. Nothing in this Section 8.3 shall permit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4.2 Notwithstanding anything to the contrary set forth in the Declaration or these By-Laws, in the event a Commercial Unit is subdivided into Commercial Units, each of which constitutes an individual storage space for the storage of materials, such Commercial Units can only be sold to another Residential Unit Owner, to the Condominium Board or to a

party who is simultaneously acquiring a Residential Unit. Declarant or its designee shall be entitled to lease any such Commercial Units to a tenant who is not a Residential Unit Owner or simultaneously acquiring a Residential Unit.

8.5 **Release by Condominium Board of Right of First Refusal.** The right of first refusal contained in 8.1 may be released or waived by the Condominium Board only in the manner provided in Section 8.5. In the event the Board shall release or waive its right of first refusal as to any Residential Unit, such Residential Unit together with its appurtenant Common Interest may be sold, conveyed or leased, free and clear of the provisions of Subsections 8.1.1 and 8.1.2, provided that such sale, conveyance or lease occurs within any applicable time periods required pursuant to Subsection 8.1.3.

8.6 **Certificate of Termination of Right of First Refusal.** A certificate executed by an officer of the Condominium Board stating that the provisions of Subsection 8.1.1 have been met by a Residential Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board, and that as a result thereof the rights of the Board thereunder have terminated (provided that any sale, conveyance or lease occurs within any applicable time periods required pursuant to Subsection 8.1.3), shall be conclusive upon the Board and the Residential Unit Owners in favor of all persons who rely on such certificate in good faith. The Board shall furnish such certificate upon request to any Residential Unit Owner with respect to whom the provisions of Subsection 8.1.1 have, in fact, terminated.

8.7 **Financing of Purchase of Residential Units by Condominium Board.** The purchase of any Residential Unit by the Condominium Board or its designee, on behalf of all Residential Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Residential Unit Owner in proportion to such Unit Owner's respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its (their) appurtenant Common Interest(s).

8.8 **Exceptions.** The provisions of Section 8.1 shall not apply with respect to any lease, sale or conveyance of any Residential Unit together with its appurtenant Common Interest by (a) the Unit Owner thereof to such Unit Owner's spouse, adult children or grandchildren, parents, grandparents, adult siblings or to any one or more of them or to any affiliate of the Unit Owner thereof, (b) Declarant or its designee, (c) the Board, (d) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure, or (e) a Permitted Mortgagee or such Unit Owner's nominee, who has acquired title to any Residential Unit at any foreclosure sale of such Unit Owner's Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; provided, however, that each succeeding Residential Unit Owner shall be bound by, and such Unit Owner's Residential Unit subject to, the provisions of this Article 8. In addition, the provisions of Section 8.1 shall not apply to any lease, sale or conveyance of the Commercial Unit or any part thereof. The term "affiliate" shall be deemed to be an individual or entity which owns more than 50% of the beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than 50% of the legal and beneficial interest.

8.9 **Gifts and Devises, etc.** Any Residential Unit Owner shall be free to convey or transfer such Unit Owner's Residential Unit by gift, or may devise such Unit Owner's Residential Unit by will or have such Unit Owner's Residential Unit pass by intestacy, without being subject to the restrictions of Section 8.1; provided, however, that each succeeding Residential Unit Owner shall be bound by, and such Unit Owner's Residential Unit shall remain subject to, the provisions of this Article 8.

8.10 **Storage Bins.** A Unit Owner may assign its Storage Bin License only to another Unit Owner. Upon conveyance of a Unit, the Condominium Board will enter into a new Storage Bin License with the transferee of such Unit, in such form then required by the Condominium Board. A Unit Owner may lease a Storage Bin, but only to another Unit Owner, the Condominium Board or Declarant, as the case may be and only under such terms as may be required by the Condominium Board. In no event may a Unit Owner retain use or rights to a Storage Bin after conveyance or transfer of such Unit Owner's Unit. In the event a Residential Unit Owner elects to terminate a Storage Bin License and does not transfer same to another Residential Unit Owner, the rights to the Storage Bin in question will devolve to the Condominium Board which shall have the right to issue a new Storage Bin License to another Residential Unit Owner in its sole discretion.

8.11 **Unauthorized Sales or Leases of Residential Units.** Any purported sale or lease of a Residential Unit consummated in violation of Sections 8.1, 8.3 or 8.4 shall be voidable at the election of the Board and if the Board shall so elect, the Residential Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject the purported purchaser (in case of an unauthorized sale) or to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Residential Unit Owner as the owner or landlord, as the case may be. Said Residential Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.12 **Charges Imposed on Sale or Lease of Residential Units.** If permitted by Law, the Condominium Board shall be entitled to fix by resolution and collect, before any sale or lease of a Residential Unit is consummated, a reasonable charge to cover its expenses, and any fees due the Managing Agent or any attorney retained by the Board, in connection with the sale or lease. Additionally, the Board may, by resolution adopt a "flip" tax in connection with such sale in order to create a reserve fund which will provide reserves for the Residential Section to use in the future for capital improvements, emergency repairs and working capital. If such charges are adopted, it shall be added to, and constitute a portion of, Common Charges payable by the selling or leasing Unit Owner. The aforementioned charges shall not apply to the lease of a Residential Unit to Declarant or its designee, to the sale or lease of Unsold Residential Units by Declarant or its designee, or to the sale or lease of Unsold Residential Units by a Permitted Mortgagee of Declarant that acquires title to Unsold Residential Units.

8.13 **Power of Attorney.** At the time of acquiring title to a Residential Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and make arrangements for recording in the City Register's Office, the Power of Attorney required by Article 17 of the Declaration, in the form set forth as Exhibit E to the Declaration.

8.14 **Notices Concerning Residential Unit Ownership and Occupancy.** Within five (5) days following acquisition of a Residential Unit or the commencement of a lease relating thereto, the new Unit Owner or lessor, as the case may be, shall notify the Managing Agent of the Unit involved, the name of the purchaser or lessee and the names of the individuals, as permitted by the By-Laws, who will be using or occupying the Unit. The individuals so designated may be changed by the purchaser or lessor, from time to time, by further notice to the Managing Agent.

8.15 **Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common.** In the event that any Unit shall be acquired by the Condominium Board, or its respective designees, corporate or otherwise, on behalf of all Residential Unit Owners or the Commercial Unit Owner, as the case may be, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit as herein provided.

8.16 **Payment of Assessments.** No Residential Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease such Unit Owner's Residential Unit unless and until the Unit Owner shall have paid in full to the Board all unpaid Common Charges theretofore assessed by said Board against such Residential Unit and until such Residential Unit Owner shall have satisfied all unpaid liens against such Unit Owner's Residential Unit other than Permitted Mortgages.

8.17 **Mortgage of Units.** Subject to Article 7 and Section 8.15, each Unit Owner shall have the right to mortgage such Unit Owner's Unit without restriction, provided that, with respect to any mortgage covering a Residential Unit, the Residential Unit Owner making such mortgage shall notify in writing the Condominium Board of the making of such mortgage.

8.18 **Lease or Purchase of Residential Unit or Other Apartment for Superintendent's/Resident Manager Residence.** The Condominium Board shall have the right to lease or purchase and finance the purchase of a Residential Unit or other apartment for the resident manager's unit (whether or not in the Building) and shall have the right to amend, modify, extend, renew and otherwise deal in any way with respect to any such lease, purchase or financing without the approval of a Majority of Unit Owners.

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the General or Limited Common Elements, the Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the General or Limited Common Elements so taken which, pursuant to the provisions of these By-Laws, are required to be maintained by the Board. The award made for any such taking shall be payable to the Board responsible for the repair and restoration thereof, as aforesaid; provided, however, that if any such award exceeds $1,000,000, such award shall be payable to the Insurance Trustee and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net

proceeds exceed the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be (a) borne and shared by all Unit and Owners with respect to any taking of the General Common Elements pro rata, as follows: first, to the Residential Unit Owners and the Commercial Unit Owner in accordance with their respective Common Interests; thereafter, the Board shall allocate such deficit or surplus, as the case may be, pro rata, to the Residential Unit Owners and to the Commercial Unit Owner, respectively, in accordance with their respective Common Interests; (b) borne and shared by all Residential Unit Owners with respect to any taking of the Residential Common Elements pro rata in accordance with their Common Interests; and (c) borne and shared by all Residential Unit Owners having exclusive access to the Residential Limited Common Elements pro rata in accordance with their respective interest in such Residential Limited Common Interests; and (d) borne by the Commercial Unit Owner with respect to any taking of the Commercial Common Elements. Notwithstanding any provisions contained herein to the contrary, in the event that (1) 75% or more of all Residential Unit Owners and/or the Commercial Unit Owner do not duly and promptly resolve to proceed with such repair or restoration of their respective Limited Common Elements, or (2) 75% or more of all Unit Owners do not duly and promptly resolve to proceed with such repair and restoration of the General Common Elements, then such repairs or restorations of the Limited Common Elements and/or General Common Elements shall not be made and the net proceeds of any such award with respect thereto shall be divided among the Unit Owners pro rata in the same manner as is set forth in (a), (b) and (c) above, after first paying out of the share of each Unit Owner the amount of any unpaid liens on such Units other than mortgages which are not Permitted Mortgages. As used in this Article 9 the words "promptly resolve" shall mean not more than 60 days from the date of such taking

ARTICLE 10

RECORDS AND AUDITS

10.1 **Records.** The Condominium Board or the managing agent for the Board, if any, shall keep detailed records of the actions of such Board, minutes of the meetings of such Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of such Board, including a listing of all receipts and expenditures. In addition, the Condominium Board shall keep a separate account for each Residential Unit, which, among other things, shall contain the amount of each assessment of Common Charges made by the Condominium Board against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 **Audits.** Within four months after the end of each fiscal year, an annual report of receipts and expenditures prepared and certified by an independent certified public accountant shall be submitted by the Condominium Board to all Unit Owners, and, if so requested, to any Permitted Mortgagee, as the case may be. The cost of such report submitted by the Board, shall be paid by the Unit Owners as a Common Expense.

10.3 **Availability of Documents.** Copies of the Declaration, these by-laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE 11

ARBITRATION

11.1 **General Procedure.** Any arbitration provided for in these By-Laws shall be conducted before one arbitrator in New York City by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. In the event that the American Arbitration Association is not then in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within 10 days after such arbitrator's appointment. Any arbitrator appointed or selected in connection with any arbitration under this Article 11 shall be a lawyer or real estate owner, developer, or manager familiar with condominium properties and having general legal or real estate experience, as the case may be, of not less than fifteen years.

11.2 **Costs and Expenses.** The fees, costs and expenses of the arbitrator will be borne by the losing party in the arbitration or, if the position of neither party to the dispute will be substantially upheld by the arbitrator, such fees, costs and expenses will be borne equally by the disputants. Each disputant will also bear the fees and expenses of such Unit Owner's counsel and expert witnesses. All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, will constitute Common Expenses.

11.3 **Agreement by Parties.** The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12

MISCELLANEOUS

12.1 **Waiver.** No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2 **Captions.** The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.3 **Certain References.**

12.3.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.3.2 The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used, unless the context otherwise requires.

12.3.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.4 **Severability.** Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5 **Insurance Trustee.** The Insurance Trustee shall be a bank or trust company in The City of New York, designated by the Condominium Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or the Condominium Board wishes to replace it, the Condominium Board shall promptly appoint a new Insurance Trustee. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York. If required by Declarant's construction or permanent lender, such lender shall be the Insurance Trustee until its release of all Units from the lien of its mortgage.

12.6 **Successors and Assigns.** Except as set forth herein or in the Declaration to the contrary, the rights and/or obligations of Declarant or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Declarant or its designee or, with the consent of Declarant or its designee, any transferee of some or all then Unsold Residential Units then owned by Declarant or its designee, as the case may be. The rights and/or obligations of the Commercial Unit Owner as set forth herein shall inure to the benefit of and be binding upon any successors or assigns of the Commercial Unit Owner. Subject to the foregoing, Declarant, its designee, and/or the Commercial Unit Owner, as the case may be, shall have the right, at any time in their sole discretion, to assign or otherwise transfer their respective interests herein, whether by sale, merger, consolidation, lease, assignment or otherwise.

12.7 **Covenant of Further Assurances.**

12.7.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, upon prior reasonable written request at the expense of

any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of these By-Laws or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.7.2 If any Unit Owner or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, or (ii) to deliver a written notice to the party requesting such execution, acknowledgment or delivery, and to the Condominium Board, stating the reasons why such Unit Owner or other party refuses to execute, acknowledge or deliver such instrument or take such action, then the Board or other party is hereby authorized, as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner or other party and such document or action shall be binding on such Unit Owner or other party.

12.7.3 If any Unit Owner, the Board or other party which is subject to the terms of these By-Laws fails, within ten days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, the Board or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, or (ii) to deliver a written notice to Declarant or its designee, as applicable, and to the Board stating the reasons why such Unit Owner, the Board or other party refuses to execute, acknowledge or deliver such instrument or take such action, then Declarant or its designee is hereby authorized, as attorney-in-fact for such Unit Owner, the Board or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner, the Board or other party and such document or action shall be binding on such Unit Owner, the Board or other party, as the case may be.

ARTICLE 13

AMENDMENT TO BY-LAWS

13.1 **Amendments by Unit Owners.** Except as specifically provided herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, or any Unsold Residential Units, or the Commercial Unit or any Commercial Unit Owner, (a) any provision of these By-Laws may be added to, amended, modified or deleted by the vote of at least 66-2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of these by-laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners directly affected, (b) any provision of these By-Laws benefiting, protecting or otherwise affecting only the Residential Section or the Residential Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66-2/3% in number and in Common Interest of all Residential Unit Owners taken in accordance with the provisions of these By-Laws and (c) any provision of these By-Laws benefiting, protecting or otherwise affecting only the Commercial Section or the Commercial Unit Owner

may be amended, modified, added to or deleted by the declaration the Commercial Unit Owner taken in accordance with the provisions of these By-Laws. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Declarant or its designee, Permitted Mortgagees, any Unsold Residential Units, the Commercial Section or any Commercial Unit Owner, any such amendment, modification, addition or deletion shall be executed by the Condominium Board, as attorney-in-fact for all Unit Owners, coupled with an interest, which Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Declarant or its designee, any Unsold Residential Units, the Commercial Section or the Commercial Unit Owner, (i) no amendment, modification, addition or deletion pursuant to the provisions of clause (a) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Residential Representatives, if any, (ii) no amendment, modification, addition or deletion pursuant to the provisions of clause (b) above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the respective Residential Mortgage Representatives, if any, and (iii) the provisions of this Section 13.1 may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Residential Mortgage Representatives, as the case may be), 80% in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, deletion or addition in the manner set forth above.

13.2 **Amendments Affecting Declarant or its Designee or Commercial Unit Owner.** Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way (a) without the prior written consent of the affected Commercial Unit Owner(s) with respect to any amendment, modification, addition or deletion of or to these by-laws, the Declaration or the Rules and Regulations modifying the permitted uses of any Commercial Unit or affecting the rights, privileges, easements, licenses or exemptions granted to any Commercial Unit Owner, (b) without the prior written consent of Declarant or its designee or the owner of any Unsold Residential Unit, as the case may be, with respect to any amendment, modification, addition or deletion of or to these by-laws, the Declaration or the Rules and Regulations modifying the permitted uses of the Building or any portion thereof or affecting the rights, privileges, easements, licenses or exemptions granted to Declarant or its designee or the owner of any Unsold Residential Unit, as the case may be, or otherwise adversely affecting Declarant or its designee or the owner of any Unsold Residential Unit, as the case may be, or (c) without the prior written consent of the holder of any present or future mortgage, pledge, or other lien or security interest covering any Unsold Residential Unit or Commercial Unit, if required under the terms of such mortgage, pledge, or other lien or security interest, with respect to any amendment, modification, addition or deletion of or to these by-laws, the Declaration, or the Rules and Regulations modifying the permitted uses of such Unsold Residential Unit or Commercial Unit, or affecting the rights, privileges, easements, licenses or exemptions granted to the owner of such Unsold Residential Unit or Commercial Unit. Declarant and the Commercial Unit Owner shall have the right to amend the By-Laws, without the consent of the Board or any other Unit Owner, to effectuate the rights otherwise granted to Declarant and the Commercial Unit Owner under the terms of the Declaration and these By-Laws.

13.3 **Amendments Affecting Permitted Mortgagees.** Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to Article 7 or 6.1, 6.2, 6.4.2, 6.4.3, 8.7(d) or (e), or 8.10 shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto, which consent shall not be unreasonably withheld or delayed.

ARTICLE 14

AMENDMENTS CONCERNING COMMERCIAL SECTION

Amendments, modifications, additions or deletions of or to the Declaration, these By-Laws and the Rules and Regulations may be necessary, appropriate or desirable in connection with the operation of the Commercial Section or the subdivision of any Commercial Unit into separate condominium units and/or the offering for sale or lease of all or any portion of the Commercial Unit and it is contemplated that in connection therewith the Commercial Unit Owner will cause the Declaration, these By-Laws and the Rules and Regulations to be so amended, modified, added to or deleted from and that the resulting provisions thereof may be similar or dissimilar to those affecting the Residential Section and Residential Unit Owners. In the case of any such amendment, modification, addition or deletion which does not adversely affect the Residential Section, or any Residential Unit Owners, the Commercial Unit Owner shall be the attorney-in-fact for the Residential Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion.

SCHEDULE A

RULES AND REGULATIONS OF THE RESIDENTIAL SECTION

1. The entrances, passages, public halls, elevator, vestibules, corridors and stairways of the Residential Section shall not be obstructed or used for any other purpose than ingress to and egress from the Residential Units.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors, stairways or fire tower landings of the Residential Section, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows or roofs or placed upon the window sills of the Residential Section.

3. Neither occupants nor their guests shall play in the entrances, passages, public halls, elevator, vestibules, corridors, stairways or fire towers of the Residential Section.

4. No public hall or public elevator vestibule of the Residential Section shall be decorated or furnished by any Residential Unit Owner in any manner.

5. Each Residential Unit Owner shall keep such Unit Owner's Unit and any Limited Common Elements appurtenant thereto (including the surface of any Terrace appurtenant to a Residential Unit) in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance. The type, size and quantity of plantings and other installations to be placed on Terraces and the rights of Unit Owners to paint and decorate Terraces shall be subject to the prior written approval of the Condominium Board. Any determination as to what constitutes a good state of preservation and cleanliness for any Unit Owner's Terrace shall be within the sole but reasonable discretion of the Condominium Board.

6. No window guards or window decorations shall be used in or about any Residential Unit, unless otherwise required by Law, except such as shall have been approved in writing by the Condominium Board or the managing agent of the Residential Section, which approval shall not be unreasonably withheld or delayed.

7. No radio, television aerial, satellite, disk or similar devices shall be attached to or hung from the exterior of the Residential Section and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any door or window or other part of the Residential Section except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Condominium Board or the managing agent of the Residential Section, nor shall anything be projected from any door or window of the Residential Section without similar approval, except as may otherwise be provided by Law.

8. No heat, ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

9. 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 public authorities having jurisdiction and the Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Residential Unit Owner's Unit.

10. No velocipedes, bicycles, scooters or similar vehicles shall be allowed in any of the elevators other than the elevators designated by the Condominium Board or the managing agent of the Residential Section for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Residential Section.

11. No Residential Unit Owner shall make or permit any disturbing noises or activity in the Residential Section, or do or permit anything to be done therein, which will interfere with the rights, comfort or convenience of other Unit Owners or the tenants or occupants of the Commercial Section. No Residential Unit Owner shall play or suffer to be played any musical instrument, or practice or suffer to be practiced vocal music, or operate or permit to be operated a phonograph, radio, television computer, stereo or other loud speaker in such Unit Owner's Unit between 11:00 P.M. and the following 7:00 A.M., if the same shall disturb or annoy other occupants of the Building, unless the same shall have the prior written consent of the Condominium Board. No construction or repair work or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an Emergency or unless such work is performed by Declarant.

12. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition), shall be permitted, kept or harbored in a Residential Unit without the same in each instance having been expressly permitted in writing by the Condominium Board or the managing agent of the Residential Section and such consent, if given, shall be revocable by the Condominium Board or such managing agent in their sole discretion, at any time. In no event shall any Unit Owner maintain more than two (2) pets in a Unit without the consent of the Condominium Board nor shall any bird, reptile, or animal be permitted in any public elevator in the Residential Section, other than the elevators designated by the Condominium Board or the managing agent of the Residential Section for that purpose, or in any of the public portions of the Residential Section, unless carried or on a leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Residential Section or on the sidewalk or street adjacent to the Building. Each Residential Unit Owner who keeps any type of pet in such Unit Owner's Residential Unit may be required to enter into an agreement with the Condominium Board setting forth such other rules regarding pets as the Condominium Board shall deem suitable and indemnifying and holding harmless the Condominium, all Unit Owners and the managing agent from all claims and expenses resulting from acts of such pet.

13. Servants, messengers and tradespeople visiting or residing in the Residential Section may be required to use the elevators designated by the Condominium Board or the managing agent of the Residential Section for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses in the employ of Residential

Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, guests or tenants. However, a guest or visitor of a Residential Unit Owner may use any of the elevators freely, if authorized by such Unit.

14. All service and delivery persons may be required to use the service entrance unless otherwise directed. All packages, whenever feasible, will be required to be delivered by outside personnel to the package room in the lobby where such packages will be held for pick-up by Residential Unit Owners. Deliveries, if made, will be made from the package room to individual Residential Units only by building personnel or as otherwise directed by building personnel. Such deliveries will be made only at such times as a Unit is occupied by the resident thereof or an authorized person and said resident or authorized person is willing to accept delivery. If the Residential Unit is not so occupied or delivery is declined, the package will be held in the package room until the resident or authorized person returns or requests delivery. In the case of packages containing perishable food items, service or delivery persons who are registered with building personnel will be permitted to make deliveries directly to individual Residential Units after such service or delivery persons have received approval for such delivery from the Residential Unit Owner.

15. Trunks and heavy baggage shall be taken in or out of the Residential Section by the elevators designated by the Condominium Board or the managing agent of the Residential Section for that purpose, and through a designated entrance only.

16. No refuse from the Residential Units shall be sent to the below grade levels of the Building except at such times and in such manner as the Condominium Board or the managing agent of the Residential Section may direct.

17. Water-closets and other water apparatus in the Residential Section shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the Owner of such Unit.

18. No occupant of the Residential Section shall send any employee of the Residential Section or of the managing agent thereof out of the Building on any private business.

19. The agents of the Condominium Board or the managing agent, and any contractor or worker authorized by the Condominium Board or the managing agent of the Residential Section, may enter any room or Residential Unit at any reasonable hour of the day, on at least one day's prior written notice to the Residential Unit Owner, for the purpose of inspecting such Residential Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a manner so as not to unreasonably interfere with the use of such Residential Unit for its permitted purposes.

20. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

21. The Condominium Board or the managing agent of the Residential Section may retain a passkey to each Residential Unit. If any lock is altered or a new lock is installed, the Condominium Board or the managing agent of the Residential Section shall be provided with a key thereto immediately upon such alteration or installation. If the Residential Unit Owner is not personally present to open and permit an entry to such Unit 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 has not furnished a key to such Board or such managing agent, then the Condominium Board or such managing agent or their agents (but, except in an Emergency, only when specifically authorized by an officer of such Board or an officer of the managing agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care under the circumstances is given to such Unit Owner's property).

22. No vehicle belonging to a Residential Unit Owner or to a member of the family or guest, tenant or employee of a Residential Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building.

23. Complaints regarding the services of the Residential Section shall be made in writing to the Condominium Board or to the managing agent of the Residential Section.

24. Any consent or approval given under these Residential Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Condominium Board, at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board, be conditional.

25. Residential Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the chute; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; (f) refrain from depositing waste of an explosive nature therein; (g) observe all Laws regarding the recycling of refuse then imposed by governmental agencies having jurisdiction thereover and (h) observe any additional recycling rules established by the Condominium Board or the Condominium Board.

26. Except as permitted under the Declaration and By-Laws, Residential Unit Owners, their families, guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

27. Residential Unit Owners, their guests, servants, employees, agents, visitors, tenants, sublessees or licensees shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units or any public portions of the Building.

28. No Residential Unit Owner or any of such Unit Owner's agents, servants, employees, licensees, tenants, sublessees or visitors shall at any time bring into or keep in such

Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

29. If any key or keys are entrusted by a Residential Unit Owner or by any member of such Unit Owner's family or by such Unit Owner's agent, servant, employee, tenant, sublessee, licensee or visitor to an employee of the Condominium Board or the managing agent of the Residential Section, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the managing agent of the Residential Section shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

30. Nothing shall be done or kept in any Residential Unit or in the General or Limited Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Residential Unit Owner shall permit anything to be done or kept in such Unit Owner's Unit or in the General or Limited Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any Law. No waste shall be committed in the General or Limited Common Elements.

31. The Boards shall have the right from time to time to relocate any portion of the Common Elements devoted to storage or service purposes.

32. No group tour or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the prior consent of the Condominium Board or the managing agent of the Residential Section.

33. In the event that any Residential Unit is used for home occupation purposes which are permitted by Law and the By-Laws, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

34. Unless expressly authorized by the Condominium Board in each case, at least 50% of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting or equally effective noise-reducing material.

35. There will be no barbecuing in the Residential Units in their Limited Common Elements (including Terraces), or the General Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board.

36. The Condominium Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Residential Section when, in the reasonable judgment of the Condominium Board, the Condominium Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Residential Section, or the preservation of good order therein, or the operation or Maintenance of the Residential Section, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Residential Section. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Residential Unit Owner or other occupant

shall operate as a rescission, alteration or waiver in respect of any other Residential Unit Owner or other occupant.

37. No article, including, but not limited to, bicycles and similar vehicles, shall be stored or allowed to stand on Terraces, other than furniture of the kind usually maintained in outdoor areas.

EXHIBIT "9"

CERTIFICATION OF SPONSOR AND PRINCIPALS

CERTIFICATION OF SPONSOR AND PRINCIPALS

New York State Department of Law
Investment Protection Bureau
23rd Floor
120 Broadway
New York, New York 10271

Re: Condominium Offering Plan
15 West 20th Street
New York, New York 10011

Gentlemen:

The undersigned certify as follows:

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

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

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

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

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

(iii) not omit any material fact;

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

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

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

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

(a) knew the truth;

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

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

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

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

Strategic Chelsea LLC

Sworn to before me this
05 day of JULY, 2005.

By: _____
Name: Gary Barnett
Title: Manager

Notary Public

Hepzi Schechter
Notary Public, State of New York
No. 01SC6128253
Qualified in Queens County
Commission Expires June 06, 2009

SPONSOR'S PRINCIPAL:

Sworn to before me this
05 day of JULY, 2005.

_____
Gary Barnett

Notary Public

Hepzi Schechter
Notary Public, State of New York
No. 01SC6128253
Qualified in Queens County
Commission Expires June 06, 2009

EXHIBIT "10"

CERTIFICATION OF SPONSOR'S ARCHITECT

148 WEST 24TH STREET
NEW YORK, N Y 10011
AVINASH K. MALHOTRA ARCHITECTS
FAX: (212) 808 0908
TEL: (212) 808 0000

Certification of Developer's Architect Pursuant
to Section 20.4 (c) of the Regulations Issued
Pursuant to General Business Law
Article 23-A as Amended

26 July 2005

New York State Department of Law
120 Broadway, 23rd Floor
New York, NY 10271

Attn: Investment Protection

Re: The 15 West 20th Street Condominium
15 West 20th Street
New York, NY 10011

The Developer of the captioned property retained our firm to prepare a report describing the construction of the project when constructed (the "Report"). We prepared the Architectural Plans dated originally May 24, 2004 and amended through July 11, 2005, and the Architectural Specifications dated October 26, 2004 through March 7, 2005, and the Report as amended July 26, 2005, a copy of which is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on the Report.

I am a registered architect in New York State, in which the property is located.

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

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

I certify the Report does:

1) Set forth in narrative form the description of the entire property as it will exist upon completion of construction, provided construction is in accordance with the plans and specifications that we prepared.

2) In my professional opinion afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description of the property as it will exist upon completion of construction provided that construction is in accordance with the plans and specifications that we prepared;

3) Not omit any material fact;

4) Not contain any untrue statement of material fact;

5) Not contain any fraud, deception, concealment, or suppression;

6) Not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances.

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

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

Avinash K. Malhotra

Sworn to before this

26 day of July 2005

Notary

STEPHANIE MARCIANO
Notary Public, State of New York
Lic. # 01MA6014851
Qualified in Queens County
Commission Expires Oct. 19, 2006

DESIMONE

NEW YORK
MIAMI
SAN FRANCISCO

July 29, 2005

New York State Department of Law
Investment Protection Bureau
23rd Floor
120 Broadway
New York, NY 10271

Re: Condominium Offering Plan
Altair 20
15 West 20th Street
New York, NY 10011

To Whom It May Concern:

The sponsor of the offering plan to convert the captioned property listed above to condominium ownership retained DeSimone Consulting Engineers, P.L.L.C. to prepare an Existing Structural Conditions Report describing the structural elements of construction and renovation of the property. The Existing Structural Conditions Report is to be attached as an exhibit to the overall building description report prepared by Avinash K. Malhotra Architects dated July 27, 2005.

DeSimone Consulting Engineers, P.L.L.C. visually inspected existing portions of the property at 15W 20th Street, and prepared the building structural plans and specifications.

We are a registered licensed engineer in the State of New York in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Office of the Attorney General in Part 20 insofar as they are applicable to this Existing Structural Conditions Report.

We have prepared the Existing Structural Conditions Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this Report. This Report is made for the benefit of all persons to whom this offer is made.

We certify that the Existing Structural Conditions Report:

(i) sets forth in narrative form the description and physical condition of the entire property's structure, where visible and where access was afforded and is based upon visual indicators as well as reasonable expectations as to the adequacy of the structure (the aspects of the property discussed in the Existing Structural Conditions Report) as it will exist upon completion of renovation and construction, provided that renovation and construction is in accordance with the structural plans and specifications that we prepared.

DESIMONE

Condominium Offering Plan
Altair 20
DeSimone Project No. 4435; Page 2 of 2

(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's structure (the aspects of the property discussed in the Existing Structural Conditions Report) as it will exist upon completion of renovation and construction, provided that renovation and/or construction is in accordance with the structural plans and specifications that we prepared;

(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 I/we:

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

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

Sincerely,

STATE OF NEW YORK
STEPHEN V DeSIMONE
No. 049159
LICENSED PROFESSIONAL ENGINEER

Stephen V. DeSimone, PE
President/Chief Executive
SVD/mab

SWORN BEFORE ME ON THIS
2ND DAY OF AUGUST, 2005

LIDO J. GONI, JR.
Notary Public, State of New York
No. 4831518
Qualified in Westchester County
Commission Expires APRIL 30, 2007

EXHIBIT "11"

CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET

PENMARK
REALTY CORP

PART 20: CERTIFICATION BY EXPERT AS TO ADEQUACY OF BUDGET

June 8, 2005

New York State Department of Law
Investment Protection Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
The 15 West 20th Street Condominium
15 West 20th Street
New York, New York ("Property")

The sponsor of the condominium offering plan for the captioned condominium property retained our firm to prepare Schedules B and B-1 (collectively, "Schedules") containing projections of income and expenses for the first year of condominium operation. Penmark Realty has been engaged in the management of residential real estate for the past 32 years, manages approximately 35 cooperative and condominium buildings and is licensed as a real estate broker in the State of New York.

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

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

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

We certify that the Schedules:

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

(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;

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

(a) knew the truth;

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

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

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

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the condominium offering plan. This statement is not intended as a guarantee or warranty of the income or 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.

PENMARK REALTY CORPORATION

By: _____
Name: Bernard Friedman
Title: President

Sworn to before me this
8th day of June, 2005

Jacqueline Baptiste
Notary Public

JACQUELINE BAPTISTE
Notary Public, State of New York
No. 01BA6116097
Qualified in Queens County
Commission Expires November 1, 2008

EXHIBIT "12"

CERTIFICATION OF SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY COMMERCIAL UNIT OWNER

PENMARK
REALTY CORP

PART 20: CERTIFICATION BY EXPERT
CONCERNING ADEQUACY OF COMMON CHARGES
PAYABLE BY THE COMMERCIAL UNIT OWNER

June 8, 2005

New York State Department of Law
Investment Protection Bureau
120 Broadway, 23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
The 15 West 20th Street Condominium
15 West 20th Street
New York, New York ("Property")

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B containing projections of common charges payable by the owner of the commercial unit. Penmark Realty Corporation has been engaged in the management of residential real estate for the past 32 years, manages approximately 35 cooperative and condominium buildings. Including buildings with commercial space, and is licensed as a real estate broker in the State of New York.

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

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

We certify that the projections in Schedule B for the common charges payable by the owner of the commercial unit appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial units for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit also reflects special or exclusive use or availability or exclusive control of particular common areas.

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

(i) sets forth in detail the projected common charges for the commercial unit 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 common charges payable by the owner of the commercial unit;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of 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;

(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 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 unit 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.

PENMARK REALTY CORPORATION

By: _____
Name: Bernard Friedman
Title: President

Sworn to before me this
8th day of June, 2005

Jacqueline Baptiste
Notary Public

JACQUELINE BAPTISTE
Notary Public, State of New York
No. 01BA6118097
Qualified in Queens County
Commission Expires November 1, 20

PENMARK
REALTY CORP

EXHIBIT "13"

ESCROW AGREEMENT FOR OFFERING PLAN

ESCROW AGREEMENT

AGREEMENT made this 27th day of July 2005, between Strategic Chelsea LLC ("SPONSOR") as sponsor of the Offering Plan (defined below) and Stroock & Stroock & Lavan LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the sponsor of an offering plan for premises known as 15 West 20th Street, New York, New York (the "Offering Plan"); and

WHEREAS, Stroock & Stroock & Lavan LLP is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

A. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1. ESCROW AGENT has established a master escrow account for the purpose of holding deposits, down payments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at Commerce Bank at its branch located at 25 Hudson Street, New York, New York 10013, entitled Stroock & Stroock & Lavan LLP, Escrow Account No. [redacted] (the "Master Escrow Account").

2. All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. At such time as ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, from a Purchaser, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow savings account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

3. Partners or attorneys employed by ESCROW AGENT are the sole signatories on the Master Escrow Account.

4. The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

5. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Contract of Sale (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event Purchaser defaults.

B. DEPOSITS INTO THE ESCROW ACCOUNT.

6. All funds received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Stroock & Stroock & Lavan LLP, as Escrow Agent." Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

7. Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Contract of Sale"), ESCROW AGENT shall notify the Purchaser of the deposit of such funds in the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Contract of Sale and rescind within ninety (90) days after tender of the Deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Attorney General's regulations and requisite notice was timely mailed to the Purchaser.

C. RELEASE OF FUNDS.

8. Consummation of the Offering Plan does not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

9. ESCROW AGENT shall continue to hold the Deposit in escrow until otherwise directed in (a) a writing signed by both Sponsor and Purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

10. SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to: (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or (b) all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

11. In the event SPONSOR and a Purchaser close title under the Contract of Sale, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

12. Except as otherwise set forth above, if there is no written agreement between the parties to release the Deposit, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the Deposit may be paid to SPONSOR unless the Purchaser has made application to the Department of Law pursuant to the dispute resolution provisions

contained in the Attorney General's regulations and ESCROW AGENT has received notice from the Purchaser in accordance with such provisions.

D. RECORDKEEPING.

13. ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven years after release of the funds.

14. Upon the dissolution of 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.

15. ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

E. GENERAL OBLIGATIONS OF ESCROW AGENT.

16. ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

17. A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

18. ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Contract of Sale, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

19. ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

20. ESCROW AGENT may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

21. ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

F. RESPONSIBILITIES OF SPONSOR.

22. SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a member of or employed by ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

23. SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and compliance with the Attorney General's regulations.

24. SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or Form W-8BEN, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Contract of Sale.

G. TERMINATION OF AGREEMENT.

25. This Agreement shall remain in effect unless and until it is canceled by either

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation; or

(c) all shares or units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

26. Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 (a) or (b) above, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all contracts or documents maintained by ESCROW AGENT relating to such funds to the new escrow agent.

H. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

I. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

J. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. ESCROW AGENT'S fees and disbursements shall neither be

paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

K. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

L. INDEMNIFICATION

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

M. ENTIRE AGREEMENT.

This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT

STROOCK & STROOCK & LAVAN LLP

By: _____
Name: Michel Evanusa
Title: Partner

SPONSOR

Strategic Chelsea LLC

By: _____
Name: Gary Barnett
Title: Manager

EXHIBIT "14"

FORM W-9

Form **W-9**
(Rev. January 2005)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type See Specific Instructions on page 2.

Name (as shown on your income tax return)

Business name, if different from above

Check appropriate box: ☐ Individual/ Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶ ..... ☐ Exempt from backup withholding

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. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. 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 3.

Note. *If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.*

Social security number
___ ___ ___ - ___ ___ - ___ ___ ___ ___

or

Employer identification number
___ ___ - ___ ___ ___ ___ ___ ___ ___

Part II 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, and
3. I am a U.S. person (including a U.S. resident alien).

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 4.)

Sign Here Signature of U.S. person ▶ Date ▶

Purpose of Form

A person who is required to file an information return with the IRS, must obtain 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.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note. *If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.*

For federal tax purposes you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). 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.

You will not be subject to backup withholding on payments you receive 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 be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or

2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or

3. The IRS tells the requester that you furnished an incorrect TIN, or

4. 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

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below 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.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),

2. The United States or any of its agencies or instrumentalities,

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or

5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	**THEN the payment is exempt for . . .**
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over $600 required to be reported and direct sales over $5,000 [1]	Generally, exempt recipients 1 through 7 [2]

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at *www.socialsecurity.gov/online/ss-5.pdf*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses/* and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting *www.irs.gov* or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account [1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor [2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee [1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner [1]
5. Sole proprietorship or single-owner LLC	The owner [3]
For this type of account:	**Give name and EIN of:**
6. Sole proprietorship or single-owner LLC	The owner [3]
7. A valid trust, estate, or pension trust	Legal entity [4]
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

[4] List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

EXHIBIT "15"

FORM W-8BEN
CERTIFICATE OF FOREIGN STATUS OF BENEFICIAL OWNER FOR UNITED STATES TAX WITHHOLDING

Form **W-8BEN**
(Rev. December 2000)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do not use this form for: — Instead, use Form:

- A U.S. citizen or other U.S. person, including a resident alien individual W-9
- A person claiming an exemption from U.S. withholding on income effectively connected with the conduct of a trade or business in the United States W-8ECI
- A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) . . . . . W-8ECI or W-8IMY
- A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) . . . . . W-8ECI or W-8EXP

Note: *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*

- A person acting as an intermediary W-8IMY

Note: *See instructions for additional exceptions.*

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner

2 Country of incorporation or organization

3 Type of beneficial owner: ☐ Individual ☐ Corporation ☐ Disregarded entity ☐ Partnership ☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government ☐ International organization ☐ Central bank of issue ☐ Tax-exempt organization ☐ Private foundation

4 Permanent residence address (street, apt. or suite no., or rural route). Do not use a P.O. box or in-care-of address.

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

5 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

6 U.S. taxpayer identification number, if required (see instructions) ☐ SSN or ITIN ☐ EIN

7 Foreign tax identifying number, if any (optional)

8 Reference number(s) (see instructions)

Part II Claim of Tax Treaty Benefits (if applicable)

9 I certify that (check all that apply):

a ☐ The beneficial owner is a resident of .....within the meaning of the income tax treaty between the United States and that country.

b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, $500,000.

10 Special rates and conditions (if applicable—see instructions): The beneficial owner is claiming the provisions of Article .....of the treaty identified on line 9a above to claim a .....% rate of withholding on (specify type of income):.....

Explain the reasons the beneficial owner meets the terms of the treaty article: .....

.....

Part III Notional Principal Contracts

11 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is not effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates.
- The beneficial owner is not a U.S. person.
- The income to which this form relates is not effectively connected with the conduct of a trade or business in the United States or is effectively connected but is not subject to tax under an income tax treaty, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ▶ ..... Signature of beneficial owner (or individual authorized to sign for beneficial owner) ..... Date (MM-DD-YYYY) ..... Capacity in which acting

EXHIBIT "16"

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DEPOSITS

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DEPOSITS

(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 Deposits 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 Deposit.
forfeiture of Deposit.
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 time share.
[ ] other: _____

7. Name and Address of Sponsor: _____

8. Name and Address of Escrow Agent: _____

9. If Deposits 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 Deposits 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 Deposits 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 not been declared effective.
   [ ] has been declared effective. Approximate date:
   (c) If effective, the plan
   [ ] has closed or the first unit has closed. Approximate date:
   [ ] has not closed.
   [ ] don't know.
   (d) Deposits 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 Agreement was signed: _____
    (c) Date(s) of Deposit(s): _____
    (d) Total amount of Deposit(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: _____

EXHIBIT "17"

RPL §339-kk

§ 3. The real property law is amended by adding a new section 339-kk to read as follows:
§ 339-KK. RENTS. (A) FOR THE PURPOSES OF THIS SECTION, "NON-OCCUPYING OWNER" SHALL MEAN A UNIT OWNER IN A CONDOMINIUM ASSOCIATION WHO DOES NOT OCCUPY THE DWELLING UNIT.
(B) IF A NON-OCCUPYING OWNER RENTS ANY DWELLING UNIT TO A RENTAL TENANT AND THEN FAILS TO MAKE PAYMENTS DUE FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES FOR SUCH UNIT WITHIN SIXTY DAYS OF THE EXPIRATION OF ANY GRACE PERIOD AFTER THEY ARE DUE, UPON NOTICE IN ACCORDANCE WITH SUBDIVISION (C) OF THIS SECTION, ALL RENTAL PAYMENTS FROM THE TENANT SHALL BE DIRECTLY PAYABLE TO THE CONDOMINIUM ASSOCIATION.
(C) IF THE COMMON CHARGES, ASSESSMENTS OR LATE FEES DUE FOR ANY UNIT HAVE NOT BEEN PAID IN FULL, WITHIN SIXTY DAYS AFTER THE EXPIRATION OF ANY GRACE PERIOD OF THE EARLIEST DUE DATE, THE BOARD OF MANAGERS SHALL PROVIDE WRITTEN NOTICE TO THE TENANT AND THE NON-OCCUPYING OWNER PROVIDING THAT, COMMENCING IMMEDIATELY AND UNTIL SUCH TIME AS ALL PAYMENTS FOR COMMON CHARGES, ASSESSMENTS OR LATE FEES ARE MADE CURRENT, ALL RENTAL PAYMENTS DUE SUBSEQUENT TO THE ISSUANCE OF SUCH NOTICE ARE TO BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION AT THE ADDRESS LISTED ON THE NOTICE. WHERE A MAJORITY OF THE BOARD OF MANAGERS HAS BEEN ELECTED BY AND FROM AMONG THE UNIT OWNERS WHO ARE IN OCCUPANCY, THE BOARD MAY ELECT NOT TO REQUIRE THAT RENTAL PAYMENTS BE MADE PAYABLE TO THE CONDOMINIUM ASSOCIATION. AT SUCH TIME AS PAYMENTS FOR COMMON CHARGES, ASSESSMENTS AND LATE FEES FROM THE NON-OCCUPYING OWNER ARE ONE AGAIN CURRENT, NOTICE OF SUCH FACT SHALL BE GIVEN WITHIN THREE BUSINESS DAYS TO THE RENTAL TENANT AND NON-OCCUPYING OWNER. THEREAFTER ALL RENTAL PAYMENTS SHALL BE MADE PAYABLE TO THE NON-OCCUPYING OWNER OR A DESIGNATED AGENT. A NON-OCCUPYING OWNER WHO DISPUTES THE ASSOCIATION'S CLAIM TO RENTAL PAYMENTS PURSUANT TO THIS SECTION SHALL BE ENTITLED TO PRESENT FACTS SUPPORTING SUCH OWNER'S POSITION AT THE NEXT SCHEDULED MEETING OF THE BOARD OF MANAGERS, WHICH MUST BE HELD WITHIN THIRTY DAYS OF THE DATE THAT SUCH BOARD RECEIVES NOTICE THAT SUCH OWNER SEEKS TO DISPUTE SUCH CLAIM.
(D) NOTHING IN THIS SECTION SHALL LIMIT ANY RIGHTS OF UNIT OWNERS OR OF THE BOARD OF MANAGERS EXISTING UNDER ANY OTHER LAW OR AGREEMENT.
(E) PAYMENT BY A RENTAL TENANT TO THE CONDOMINIUM ASSOCIATION MADE IN CONNECTION WITH THIS SECTION SHALL RELIEVE THAT RENTAL TENANT FROM THE OBLIGATION TO PAY SUCH RENT TO THE NON-OCCUPYING OWNER AND SHALL BE AN ABSOLUTE DEFENSE IN ANY NON-PAYMENT PROCEEDING COMMENCED BY SUCH NON-OCCUPYING OWNER AGAINST SUCH TENANT FOR SUCH RENT.

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§ 5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

CHAP. 422

The Legislature of the STATE OF NEW YORK SS:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSEPH L. BRUNO
TEMPORARY PRESIDENT OF THE SENATE

SHELDON SILVER
SPEAKER OF THE ASSEMBLY

EXHIBIT "18"

SPECIMEN TITLE POLICY

ISSUED BY
COMMONWEALTH LAND TITLE INSURANCE COMPANY

OWNER'S POLICY OF TITLE INSURANCE

Commonwealth
A LANDAMERICA COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, COMMONWEALTH LAND TITLE INSURANCE COMPANY, a Pennsylvania corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, COMMONWEALTH LAND TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.

SPECIMEN

COMMONWEALTH LAND TITLE INSURANCE COMPANY

Attest: Wm. Chadwick Perrine
Secretary

By: Janet A. Alpert
President

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the affect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:

   (a) created, suffered, assumed or agreed to by the insured claimant;

   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;

   (c) resulting in no loss or damage to the insured claimant;

   (d) attaching or created subsequent to Date of Policy; or

   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:

   (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or

   (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:

      (i) to timely record the instrument of transfer; or

      (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(d) "land": the land described or referred to in Schedule A, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right , title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a) (iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to the insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company , the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine , inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgement of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a)To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of paymant or tender of payment and which the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

Conditions and Stipulations Continued Inside Cover

CONTROL NO. 20L-00EL02L

SPECIMEN

CONDITIONS AND STIPULATIONS

(Continued)

7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A; or,

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the Amount of Insurance stated in Schedule A at the Date of Policy is less than 80 percent of the value of the insured estate or interest or the full consideration paid for the land, whichever is less, or if subsequent to the Date of Policy an improvement is erected on the land which increases the value of the insured estate or interest by at least 20 percent over the Amount of Insurance stated in Schedule A, then this Policy is subject to the following:

(i) where no subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that the amount of insurance at Date of Policy bears to the total value of the insured estate or interest at Date of Policy; or

(ii) where a subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that 120 percent of the Amount of Insurance stated in Schedule A bears to the sum of the Amount of Insurance stated in Schedule A and the amount expended for the improvement.

The provisions of this paragraph shall not apply to costs, attorneys' fees and expenses for which the Company is liable under this policy, and shall only apply to that portion of any loss which exceeds, in the aggregate, 10 percent of the Amount of Insurance stated in Schedule A.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. APPORTIONMENT.

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

11. LIABILITY NONCUMULATIVE

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. SUBROGATION UPON PAYMENT OR SETTLEMENT.

(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

14. ARBITRATION

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is $1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of $1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

16. SEVERABILITY.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

17. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to: Consumer Affairs Department, P.O. Box 27567, Richmond, Virginia 23261-7567.

SPECIMEN



Commonwealth

COMMONWEALTH LAND TITLE INSURANCE COMPANY

SCHEDULE A

Amount of Insurance: $_____

Policy/Title No. NY050028

Date of Policy: _____

SPECIMEN

1. **Name of Insured:** _____

2. **The estate or interest in the land which is covered by this policy is:**

   Fee Simple

3. **Title to the estate or interest in the land is vested in the Insured by means of:**

   Deed from Strategic Chelsea LLC -to- _____, dated _____ and recorded on _____ under CRFN _____.

4. **The land referred to in this policy is described on the annexed schedule.**

COMMONWEALTH LAND TITLE INSURANCE COMPANY

Countersigned:_____
Authorized Officer or Agent

Valid Only if Schedule B and Cover Are Attached

Policy/Title No. NY050028

SCHEDULE A - ITEM 4

The Condominium Unit (the "Unit") in the Building known as The 15 West 20th Street Condominium located at and known as and by street number 15 West 20 Street, in New York, New York, designated and described as Unit No. _____ in the Declaration establishing a plan for condominium ownership of said Building and the land upon which it is situate under Article 9-B of the Real Property Law of the State of New York, dated _____ and recorded _____ in the Office of the Register of the City of New York, County of New York under CRFN _____, said Unit also being designated as Tax Lot _____ in Block 822 of Section 3 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans of the said Building, certified by _____, on _____ and filed in the Real Property Assessment Department of the City of New York on _____ as Condominium Plan No. _____ and also filed in the City Register's Office on _____ as Condominium Map No. _____.

TOGETHER with an undivided _____ percent interest in Common Elements of the Condominium as described in the Declaration.

The land upon which the Building containing the Unit is situate is described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 20th Street distant 302 feet westerly from the corner formed by the intersection of the westerly side of 5th Avenue and said northerly side of 20th Street;

RUNNING THENCE northerly parallel with 5th Avenue 92 feet to the center line of the block;

RUNNING THENCE westerly along said center line of the block and parallel with 20th Street 56 feet;

RUNNING THENCE southerly again parallel with 5th Avenue and part of the way through a party wall 92 feet to said northerly side of 20th Street;

RUNNING THENCE easterly along said northerly side of 20th Street 56 feet to the point or place of BEGINNING.

SPECIMEN

SCHEDULE B
Exceptions from Coverage

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of the following:

1. Any state of facts which an accurate Survey of the building and the unit would show, but policy insures that any encroachments by the Insured Unit on any adjoining Unit or on common areas may remain undisturbed as long as it shall stand.

2. Covenants, conditions, easements, agreements of records, etc., as follows:

   a. Covenants and Restrictions against nuisances set forth in Liber 549 Cp 609, Liber 556 Cp 587, Liber 586 Cp 320 and Liber 595 Cp 599.

   b. The premises have been designated as part of the Ladies Mile Historic District by Notice of Designation recorded in Reel 1628 Page 1160 and are therefore subject to the restricted use as set forth in the New York City Charter and in the Administrative Code of the City of New York.

   c. Party Wall Agreement recorded in Liber 563 Cp 209.

3. Terms, covenants and conditions set forth in the Declaration of Condominium and By-Laws dated _____ and recorded on _____ under CFRN _____, but policy insures against loss or damage occasioned by the premises not being a part of a Condominium validly created pursuant to Article 9B of the Real Property Law.

SPECIMEN

Commonwealth

COMMONWEALTH LAND TITLE INSURANCE COMPANY

File/Policy No. NY050028

STANDARD NEW YORK ENDORSEMENT (OWNER'S POLICY)

1. The following is added to the insuring provisions on the face page of this policy:

   "5. Any statutory lien for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. The following is added to Paragraph 7 of the Conditions and Stipulations of this policy:

   "(d) If the recording date of the instruments creating the insured interest is later than the policy date, such policy shall also cover intervening liens or incumbrances, except real estate taxes, assessments, water charges and sewer rents."

Nothing herein contained shall be construed as extending or changing the effective date of the policy unless otherwise expressly stated.

SPECIMEN

IN WITNESS WHEREOF the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the ___ day of _____.

Countersigned

COMMONWEALTH LAND TITLE INSURANCE COMPANY

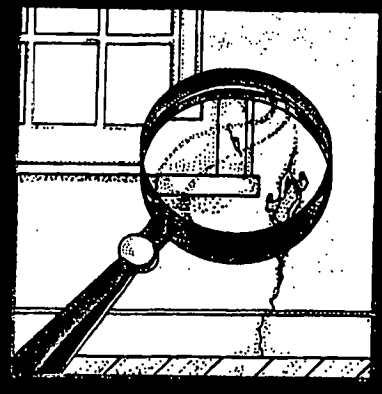
By: Janet A. Alpert
President

Attest: L. Chadwick Perrine
Secretary

By _____
Authorized Officer or Agent

EXHIBIT "19"

LEAD BASED PAINT BOOKLET



Protect Your Family From Lead In Your Home





EPA United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

EPA747-K-99-001
September 2001

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.

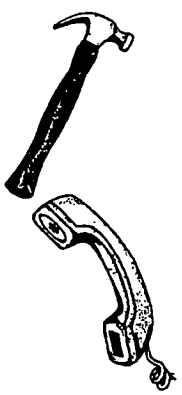
Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure form about lead-based paint.



SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure form about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS have to give you this pamphlet before starting work.

IF YOU WANT MORE INFORMATION on these requirements, call the National Lead Information Center at **1-800-424-LEAD (424-5323).**

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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 who 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 containing lead.

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

Childhood lead poisoning remains a major environmental health problem in the U.S.

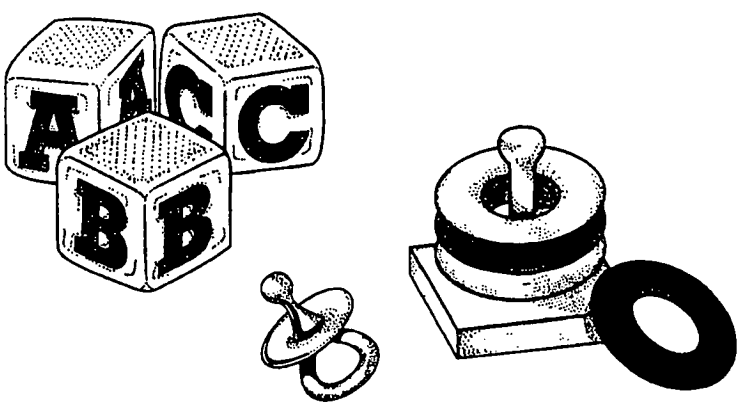
Even children who appear healthy can have dangerous levels of lead in their bodies.

People can get lead in their body if they:

- Breathe in lead dust (especially during renovations that disturb painted surfaces).
- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.

Lead is even more dangerous to children than adults because:

- Children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.



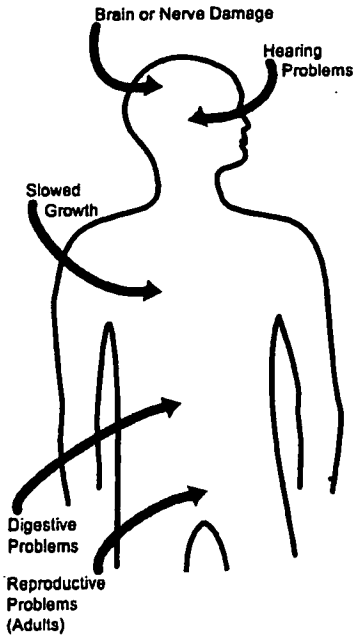
Lead's Effects

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.

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.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- Children at ages 1 and 2.
- Children or other family members who have been exposed to high levels of lead.
- Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, banisters, and porches.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

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 re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- 40 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors.
- 250 $\mu g/ft^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- 400 parts per million (ppm) and higher in play areas of bare soil.
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

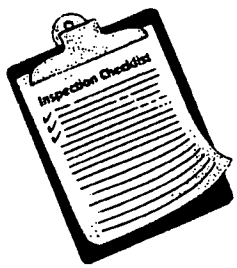
Checking Your Home for Lead

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 in one of two ways, or both:

- A paint **inspection** tells you the lead content of every different type of 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.

Hire a trained, certified professional who will use a range of reliable methods when checking your home, such as:



- Visual inspection of paint condition and location.
- A portable x-ray fluorescence (XRF) machine.
- Lab tests of paint, dust, and soil samples.

There are standards in place to ensure the work is done safely, reliably, and effectively. Contact your local lead poisoning prevention program for more information, or call **1-800-424-LEAD** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these tests before doing renovations or to assure safety.

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 dairy products. Children with good diets absorb less lead.

Reducing Lead Hazards In The Home

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 should hire a certified 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 permanent removal.

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. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- 40 micrograms per square foot ($\mu g/ft^2$) for floors, including carpeted floors;
- 250 $\mu g/ft^2$ for interior windows sills; and
- 400 $\mu g/ft^2$ for window troughs.

Call your local agency (see page 11) for help with locating certified contractors in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):



- **Have the area tested for lead-based paint.**
- **Do not use a belt-sander, propane torch, heat gun, dry scraper, or dry sandpaper** 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 not conducted properly, certain types of renovations can release lead from paint and dust into the air.

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.



Other Sources of Lead



While paint, dust, and soil are the most common lead hazards, other lead sources also exist.





- **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 work clothes separately from the rest of your family's clothes.
- 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 **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/.**

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** and ask for the National Lead Information Center at **1-800-424-LEAD.**

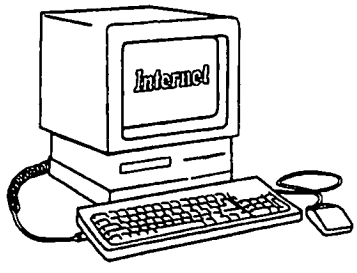


EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) 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**, or visit CPSC's website at: **www.cpsc.gov.**



Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most 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. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD.**

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)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center
Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center
Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center
Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development
Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

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, heat gun, dry scraper, or dry sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

Recycled/Recyclable
Printed with vegetable oil based inks on recycled paper (minimum 50% postconsumer) process chlorine free.

EXHIBIT "20"

STORAGE BIN LICENSE

STORAGE BIN LICENSE

AGREEMENT MADE THIS _____ day of _____, 200_ (this "Agreement") by and between the Condominium Board of Altair 20 ("Licensor"), having an office at c/o Extell Development Company, 800 Third Avenue, New York, New York 10022 and _____, having an address at 15 West 20th Street, New York, New York 10011 (the "Licensee");

WHEREAS, pursuant to that certain condominium declaration and by-laws for the condominium known as Altair 20 (the "Condominium") dated _____, recorded on _____ in Reel __, Page ___ (collectively the "Declaration") for the property having the street address 15 West 20th Street, New York, New York 10011 (the "Property"), the Property was submitted to a condominium regime;

WHEREAS, in accordance with the terms of the Declaration, Licensor is responsible for the administration of the Residential Section of the Condominium, including, without limitation the "Storage Bins" located in the Building as such term in more particularly defined and described in the Declaration;

WHEREAS, Licensee, owns or simultaneously herewith, Licensee is acquiring a Residential Unit in the Condominium and;

WHEREAS, Licensee desires the right to the exclusive use of the Storage Bin __ (the "Bin") for so long as Licensee owns a Residential Unit in the Condominium.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the parties hereto agree as follows:

1. Subject to and in accordance with the terms and conditions of this Agreement, Licensor hereby grants to Licensee, its successors and assigns and Licensee hereby accepts from Licensor, a license (the "License") to use the Bin during the term hereof for storage of Licensee's personal property and the property of occupants of the Unit (the "Permitted Users") and for no other purpose. Licensee shall not store any (i) animals or food, (ii) inflammable, combustible, explosive or other dangerous items, (iii) items which have an objectionable odor or which may spoil or decay or (iv) valuable items. Licensee shall not (a) interfere with another tenant of Licensor, (b) store any property in the Building outside of the Bin, (c) allow any other person to use the Bin except in accordance with the terms hereof, or (d) deface, damage or alter the Bin, the Building or Licensor's equipment. Licensee shall keep the Bin locked and shall provide Licensor with a duplicate key. Licensee acknowledges that it is Licensee's responsibility to safeguard the keys and Licensee is fully responsible for whoever has possession of the keys.

2. The term of this License shall commence on date first set forth above, and shall continue on a month to month basis thereafter until Licensee gives written notice of termination, or unless otherwise terminated, as provided herein. This License shall automatically terminate in the event that Licensee no longer owns a Residential Unit in the Condominium. In the event this Agreement is terminated, Licensee shall vacate and surrender possession of the Bin, broom clean, in the condition as existed prior to the commencement of this Agreement. Any property

not removed from the Bin at the expiration or other termination of this Agreement shall be considered abandoned and may, at Licensor's option, be retained as Licensor's property or disposed of at Licensee's cost and without any liability to Licensee. Licensee's obligation to observe or perform this covenant shall survive the expiration or other termination of this Agreement.

3. Licensee shall indemnify and save harmless Licensor and Licensor's agents against and from any and all liability, loss, damage and expense (including, without limitation, attorney fees and expenses) arising from injury to person or property occasioned by the failure of the Licensee to comply with any provision in this Agreement, or due wholly or in part to any act, default or omission of the Licensee or of any person using the Bin, or by the Licensor, its agents, servants or contractors when acting as agent for the Licensee as herein provided.

4. Neither licensor nor its agents or employees shall be liable for any theft or damage to any property stored in the Bin unless due to the gross negligence of the Licensor. Licensee understands that Licensor intends to leave the storage area unattended and that Licensee stores property in the Bin at Licensee's own risk, including, without limitation, the possibility that the Bin may be damp or have water infiltration. Licensor undertakes only to act as a licensor, and under no circumstances shall the licensor or its agents be deemed to act as Licensee's bailee.

5. Licensee represents that it has made a thorough inspection of the Bin and agrees to take same in its condition "as is" as of the commencement of this Agreement. Licensee shall, throughout the term of this Agreement, take good care of the Bin. Licensee shall repair all damage to the Building and the Bin by the moving of its property, furniture or equipment.

6. Licensor shall not provide any services to the Bin, except lighting on the floor in which the Bin is located and elevator service. Licensee shall keep the Bin clean. Licensee shall have access to the Bin only from 9:00 A.M. to 10:00 P.M., seven days a week.

7. This Agreement shall inure to the benefit of the Licensor's successors and assigns and may not be modified except by a writing signed by the party to be charged.

8. If Licensee shall default in fulfilling any of its covenants or obligations hereunder, in addition to any other rights and remedies available to Licensor, Licensor may (i) deny access to the Bin until Licensee cures such default, or (ii) terminate this Agreement by the giving of written notice to Licensee, whereupon this Agreement shall terminate on the date set forth in such notice.

9. Licensee shall, at all times, use the Bin only in a manner which is in full compliance with all present and future laws, orders, rules and regulations of all state, federal, municipal and local governments, departments, commissions and boards (including the New York Board of Fire Underwriters or any similar body) asserting jurisdiction therefor, or any direction of any public officer pursuant to law, including, without limitation, the police and fire departments of the City of New York, which may require the removal or destruction of items stored in the Bin. Licensee, its servants, employees, agents, visitors and licensees shall observe

faithfully, and comply strictly with the Declaration and any and all rules and regulations for the Building as Licensor or its agents may from time to time adopt.

10. Licensor or its agents shall have the right (but not the obligation) to open the Bin in an Emergency at any time, and, at other reasonable times, to inspect and examine the same and to make such repairs, replacements and improvements as Licensor shall deem necessary or desirable to the Bin or any portion of the Building, all without any liability to Licensee whatsoever as a result thereof.

11. The failure of Licensor to seek redress for violation of, or to insist upon the strict performance of any covenant or condition of this Agreement or of any of the rules or regulations adopted by Licensor, shall not prevent a subsequent act which would have originally constituted a violation from having all the force and effect of an original violation.

12. Notwithstanding anything to the contrary set forth herein, in the event Licensee desires to assign this Agreement, such assignment shall comply with the then requirements of Licensor to effectuate such assignment, including, without limitation, the obligation to enter into a new license agreement with the assignee. Licensee may permit use of the Bin by others than the Permitted Users only with the consent of Licensor.

13. All capitalized terms used in this Agreement not defined herein shall have the same meanings ascribed to them in the Declaration.

14. This Agreement shall inure to the benefit of and be binding upon the heirs, executors, successors and assigns of the Licensee.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

LICENSOR:

CONDOMINIUM BOARD OF MANAGERS OF ALTAIR 20

By: _____

LICENSEE:

_____

_____

EXHIBIT "21"

ALTERATION AGREEMENT

ALTERATION AGREEMENT

THIS AGREEMENT made as of this _____ day of _____, _____ by and between The Board of Managers of Altair 20 (the "Board") having an address of 15 West 20th Street, New York, New York 10011, Strategic Chelsea LLC ("Sponsor"), having an address 800 Third Avenue, New York, New York 10022 and _____ (the "Unit Owner") having an address of 15 West 20th Street, New York, New York 10011 (the "Property").

W I T N E S S E T H:

WHEREAS, pursuant to a declaration dated _____ (the "Declaration"), Sponsor submitted the Property to a condominium regime known as Altair 20 (the "Condominium").

WHEREAS, pursuant to the Declaration and the by-laws of the Condominium (the "By-Laws"), Unit Owner has requested permission to install equipment and/or make alterations in Unit ____ (the "Unit") the building situated on the Property (the "Building"); and

WHEREAS, at least until such time as Sponsor obtains the permanent certificate of occupancy for the Building, Sponsor's employees, agents, contractors, subcontractors and suppliers or any of their employees (collectively "Sponsor's Contractors") will be performing work in or delivering material to the Building.

WHEREAS, the Declaration and By-Laws provide that no equipment shall be installed and no alterations shall be made in the Unit without the consent of the Board; and

WHEREAS, Unit Owner desires to obtain such consent;

NOW, THEREFORE, the parties agree as follows:

1. **Unit Owner's Submissions**. Together with this Agreement, Unit Owner is delivering to the Sponsor and the Board:

   a. detailed plans, drawings and specifications for the equipment proposed to be installed and/or the alterations proposed to be made which, if so required by the Sponsor and/or the Board, have been prepared by a licensed architect or engineer. Such plans, drawings and specifications include a room by room list of the equipment to be installed and the alterations to be made.

   b. a check in the sum of $_____ payable to the Board for the security deposit required to be posted by Unit Owner as provided for in Section 13 of this Agreement (and/or such alternate form of security as may be required by the Board).

   c. a check in the sum of $_____ payable to Extell Development Company, managing agent for the Building (the "Managing Agent"), as a processing fee in connection with this Agreement.

2. **Review of Plans, Drawings and Specification**. The plans, drawings and specifications submitted by Unit Owner shall be subject to review and approval by Sponsor and/or the Board, in their sole discretion, and may be subject to review and approval by Sponsor's and/or the Board's architect or engineer (collectively the "Designated Engineer") in the sole discretion of Sponsor or the Board, and Unit Owner shall make such changes in and to such plans, drawings and specifications as Sponsor, the Board or the Designated Engineer shall require in order to obtain such approval, including, without limitation, such changes as may be required to minimize noise or vibrations to surrounding portions of the Building. The term "Plans" as used in this Agreement shall refer to the plans, drawings and specifications as approved in writing by the Sponsor and/or the Board and the Designated Engineer and the term "Work" shall refer to the work called for by the Plans or any other work performed by or on behalf of Unit Owner. After approval by the Sponsor and/or Board and the Designated Engineer, the Plans shall not be modified without the approval of the Sponsor and/or the Board and the Designated Engineer. Notwithstanding any approval of the Plans by the Sponsor and/or Board or the Designated Engineer, Unit Owner shall be solely responsible for the Plans, for insuring compatibility with the systems and facilities of the Building and for compliance with applicable laws and codes.

The execution of this Agreement by the Sponsor and the Board does not constitute consent to the work called for by the plans, drawings and specifications submitted by Unit Owner, and the Sponsor and the Board retains all of its rights under this Agreement and the By-Laws to withhold consent. Only written approval of such plans, drawings and specifications as provided for above shall constitute the Sponsor's and Board's consent to the Work called for by the Plans, and any such consent shall be subject to the terms of this Agreement.

3. **Pre-Conditions to Commencement of Work by Unit Owner**. Unit Owner shall not commence the Work unless and until all of the following has occurred:

a. The Sponsor and the Board and the Designated Engineer, as same may be required, shall have approved in writing the plans, drawings and specifications submitted by Unit Owner, and Unit Owner shall have received a copy of such approvals.

b. Unit Owner shall have submitted to Sponsor and the Board (i) a designation of the general contractor or construction manager (collectively the "General Contractor") which will be principally responsible for the Work, which designation shall authorize the General Contractor to submit the information more particularly described on the letter annexed hereto as set forth on Exhibit A annexed hereto (the Contractor's Instructions"), (ii) complete copies of all agreements entered into with the General Contractor and all other such contractors, subcontractors and suppliers pertaining to the Work (collectively the "Subcontractors"), (iii) other than the communications required to be made by the General Contractor in accordance with the terms of the Contractor's Instructions, the name of the party solely authorized to communicate with Sponsor, the Board and the Managing Agent (the "Owner's Representative") (e.g. Owner, General

Contractor, Owner's architect) and (iv) telephone numbers for the Owner, the General Contractor and the Owner's Representative, if different from the foregoing. Prior to the commencement of the work, the General Contractor and the Subcontractors shall have been approved in writing by the Board. Notwithstanding the foregoing (i) prior to the issuance of a permanent certificate of occupancy for the Building, Sponsor may require that Work relating to the structural electrical, mechanical, plumbing, sprinkler or HVAC systems of the Building (collectively the "Building Systems") be performed by contractors designated by Sponsor. After the issuance of a permanent certificate of occupancy for the Building, the Board may require that Work relating to the Building Systems be performed by contractors designated by the Board.

c. Unit Owner shall have made all required filings with, and received all required permits, approvals, licenses and consents from, all governmental agencies having jurisdiction over the Work (collectively the "Governmental Authorities") including, but not limited to, the New York City Buildings Department, the New York City Fire Department and the Landmarks Preservation Commission, and Unit Owner shall have furnished copies of all such filings, permits, approvals, licenses and consents to Sponsor and to the Board. The determination of the Designated Engineer as to the need for any such filing, permit, approval, license or consent shall be conclusive. As a prerequisite to its approval of the Plans and Specifications, Sponsor and/or the Board may require Unit Owner to furnish a letter from Unit Owner's licensed architect or engineer, certifying that the electrical loads required as a result of the Work, will not adversely affect the Building's electrical service and certifying to such other matters as Sponsor and the Board may require. Sponsor may require that Unit Owner utilize a filing representative or expediter designated by Sponsor to file the Plans and Specifications with the Governmental Authorities.

d. Unit Owner shall have caused each of its contractors to furnish to the Board the insurance policies described on Exhibit B attached hereto or certificates thereof. Such policies (i) shall name the Condominium, the Board, the Board's officers and directors, the Designated Engineer, the Managing Agent, Sponsor and the other Unit Owners, as parties insured, (ii) shall be issued by companies reasonably acceptable to the Board and (iii) shall provide that they may not be cancelled or terminated without at least ten (10) days prior written notice to the Board. Unit Owner shall cause all such insurance policies to be kept in full force and effect until the completion of the Work. In the event that such insurance lapses prior to the completion of the Work, Sponsor and/or the Board will have the right to suspend the Work until Sponsor and/or the Board receives evidence of appropriate insurance and approves such insurance. Sponsor and/or the Board reserves the right to revise the parameters and scope of the insurance requirements from time to time. Unit Owner and the General Contractor shall be advised, writing, of any such changes.

e. If requested, the Unit Owner's architect or engineer shall have provided to the Board evidence of professional liability insurance in amounts reasonably acceptable to the Board.

f. The Unit Owner's architect or engineer shall have prepared and submitted to the Sponsor and the Board a schedule of all Work to be performed by the General Contract and each Subcontractor, setting forth the number of weeks and days of the various trades, the anticipated number of workmen involved and affirming that the work can be completed within the time allotted under Paragraph 5d hereof.

g. The General Contractor will be required to attend a start-up meeting approximately two (2) weeks prior to the commencement of the Work. At this meeting the General Contractor will be introduced to Sponsor and other members of the project team. The agenda for the meeting will include a review of the requirements of this Agreement and the General Contractor's construction plan as well as collection of payment to Sponsor of any charges or deposits due hereunder.

4. **Unit Owner to Give Notice Prior to Commencement of Work**. Prior to commencing the Work, the Owner's Representative shall give at least five (5) days' prior written notice to the Designated Engineer, the superintendent of the Building and the Managing Agent of the date on which the Work will commence and the estimated duration of the Work.

5. **Performance of the Work**.

a. **In General**. Unit Owner shall perform the Work strictly in accordance with the Plans in a first-class, workmanlike manner in keeping with the standards of the Building and shall not perform any Work not called for by the Plans. All materials shall be new and of high quality. In performing the Work, Unit Owner shall comply with (i) all applicable laws and codes, (ii) the requirements of all insurance policies covering the Work, the Unit or the Building, (iii) this Agreement, (iv) the By-Laws, (v) the Rules and Regulations of the Condominium, (vi) the requirements of Sponsor and the Board and (vii) any directions given by the Managing Agent, the Designated Engineer or the superintendent of the Building. The Work will not compromise the energy efficiency or increase the energy consumption of the Building. The Work will not compromise the energy efficiency or increase the energy consumption of the Building, change the number of zoning rooms located within the Unit or materially delay the issuance of a permanent Certificate of Occupancy for the Building without the consent of Sponsor prior to the issuance of the permanent Certificate of Occupancy or the consent of the Board, after the issuance of the permanent Certificate of Occupancy.

b. **Work Hours and Noise**. Unit Owner shall perform the Work diligently and in a manner so as not to disturb other residents of the Building. The Work shall be

performed only on Mondays through Fridays (excluding holidays) between the hours of ___ a.m. and ____ p.m.; provided however, that any noisy work which may disturb other residents shall not be performed before ___ a.m. The Work shall not be performed on weekends or holidays. Sponsor until there are no remaining Unsold Units, and thereafter the Board, shall be the sole arbiter should there be any doubt as to noise levels which may be disturbing.

c. **Licensing and Labor Harmony**. The General Contractor and the Subcontractors, if any, shall be duly licensed to the extent required by applicable law and Unit Owner shall cause its General Contractor and the Subcontractors, to employ only such laborers as shall not conflict with any of the trade unions employed in the Building or otherwise cause disharmony with any Building service union. Unit Owner, the General Contractor and the Subcontractors, expressly acknowledge that Sponsor's contractors and subcontractors will be engaged at the Property to finish construction of the Building (other than the Unit) (the "Sponsor's Work") and Unit Owner, the General Contractor and the Subcontractors agree (i) that they the Sponsor's Work shall have priority over the Work and (ii) Unit Owner, the General Contractor and the Subcontractors must coordinate the Work with Sponsor so that no disruption of the Sponsor Work occurs. In the event such disruption occurs, Sponsor reserves the right to immediately close Unit Owner's job site. During all periods of construction, the General Contractor shall conduct or cause to be conducted all labor practices and relations with employees and subcontractors in such a manner as to avoid all strikes, picketing and boycotts of, on or about the Building. The General Contractor further agrees that if during the period of construction any of its employees or employees of its subcontractors strike, or if picket lines or boycotts or other visible activities objectionable to Sponsor are conducted or carried out by or against Sponsor, its contractors or subcontractors or any of their respective employees, on or about the Building or otherwise involving Sponsor, the General Contractor shall (or Sponsor may, but shall not be obligated so to do) immediately close Unit Owner's job site and remove or cause to be removed all personnel therefrom until the dispute giving rise to such strike, picket line, boycott or objectionable activity has been settled to Sponsor's satisfaction.

d. **Required Completion Date**. Unit Owner shall cause the Work (other than decorative work such as painting, wallpapering and carpeting) to be completed on or before the date (the "Required Completion Date") which is ___ days (excluding weekends and holidays) after the commencement of the Work. If the Work (other than decorative work as aforesaid) shall not be completed on or before the Required Completion Date, Unit Owner shall pay to the Board, as liquidated damages on account of late completion, the sum of $____ per day (excluding weekends and holidays) until the Work is completed. The determination of whether the Work is completed shall be made by the Sponsor until such time as there are no longer any Unsold Units and thereafter by the Board, and such determination shall be conclusive. The work shall diligently proceed to completion in compliance with all plans and specifications and in conformity with all permits and licenses of any governmental authority. All time

limitations set forth in this paragraph shall be subject to extension for delays caused by or attributable to acts of God, unusual weather conditions or strikes not attributable to Unit Owner or Unit Owner's General Contractor or Subcontractors or other agents bad faith, no to exceed forty-five (45) calendar days. Notwithstanding the foregoing, if, within six (6) months prior to the expiration of the temporary Certificate of Occupancy, the Board or Sponsor, in their sole discretion, determines that the progression of the Work is such that there is a potential to delay or otherwise hinder the issuance of the permanent Certificate of Occupancy for the Building, the Board or Sponsor, as the case may be, undertake to perform, a Unit Owner's sole cost and expense, those items of work necessary to be completed for the issuance of the permanent Certificate of Occupancy.

e. **Evidence of Completion**. Upon completion of the Work, Unit Owner shall obtain and deliver to Sponsor and the Board (i) a certificate from the architect or engineer who prepared the Plans certifying that the Work has been completed in accordance with all applicable laws and codes and the Plans, and (ii) all required final governmental signoffs and approvals, including if Sponsor or the Board shall require, an amended certificate of occupancy and a certificate from the Board of Fire Underwriters. The determination of the Sponsor, until such time as there are no longer any Unsold Units and thereafter the Board, as to whether the Work has been completed and/or the need for an amended certificate of occupancy and/or any other applicable governmental signoffs and approvals shall be conclusive.

f. **Security Personnel**. The Board shall have the right, at the sole cost and expense of the Unit Owner, to install or engage or require the Unit Owner to install or engage, security systems or personnel to ensure the safety and well being of persons and property in the Condominium.

g. **"As-Built" Drawings**. Upon completion of the Work, the Unit Owner shall provide the Board with an "as-built" set of drawings for the Unit.

h. **Confidentiality**. Any and all knowledge, information, data, materials, trade secrets and work product regarding the Building, obtained, produced, generated or otherwise acquired by Unit Owner or the General Contractor or their agents, employees and Subcontractors shall be confidential.

6. **Inspection and Correction of the Work**. Sponsor and the Board shall have the right from time to time to inspect or observe the Work and to ensure compliance with the terms of this Agreement, and for this purpose Unit Owner shall provide access to the Unit to Designated Engineer, the Managing Agent, the superintendent of the Building, or any other person Sponsor or the Board may authorize. The General Contractor shall be required to conduct a walkthrough with Sponsor and/or the Board for the purpose of observing the construction of the demising wall and perimeter wall assemblies. After the installation of all framing, insulation and vapor barriers General Contractor shall notify Sponsor and the Board and schedule a walkthrough to observe such portion of the Work. The General Contractor may not proceed with installation of gypsum board until written approval of Sponsor and the Board is received. Unit Owner shall promptly make all

corrections required by Sponsor or the Board in order to conform to the Plans and the other requirements of this Agreement. If Sponsor or the Board so requires, such corrections shall include the removal and replacement of non-conforming work. Sponsor's or the Board's failure to inspect shall not be considered a waiver of Unit Owner's obligation to comply with this Agreement. If Unit Owner or the General Contractor observes or otherwise becomes aware that the Work or any of their contract documents are at variance with each other or applicable laws, statutes, ordinances, building codes and regulations in any respect or otherwise are inconsistent, the General Contractor shall promptly notify Sponsor and the Board. If, in the sole judgment of Sponsor or the Board, an Emergency exists with respect to the Work, which in Sponsor's or Board's opinion requires immediate corrective action, then Sponsor may, without notice to Unit Owner's Contractor, perform such corrective work or cause it to be performed by others. In such case, any costs (including general conditions and fees) arising from such corrective work will be borne by Unit Owner and/or General Contractor.

7. **Damage or Adverse Effect Caused by the Work**. Unit Owner shall be responsible for any damage to or any other adverse effect upon the Unit or the Building (including the structure, shell, systems, equipment, fixtures and finishes of the Building) caused by or resulting from the Work, regardless of when such damage or adverse effect becomes apparent. If any such damage or adverse effect shall occur or arise, Sponsor and/or the Board may (a) require Unit Owner, at its expense, promptly to repair the damage or remedy the condition giving rise to such adverse effect and/or (b) repair such damage or remedy such condition at Unit Owner's expense.

Unit Owner acknowledges that the performance of the Work shall in no event cause any environmental hazards in the Units or the Common Elements (including, without limitation, any environmental hazards such as mold or other bacterial contamination) and that the Unit Owner is obligated at all times (both during and after the performance of the Work) to maintain the appropriate temperature and humidity in such Unit Owner's Unit in order to avoid causing damage to the Common Elements or the Units. In the event a Unit Owner fails to so maintain the Unit, such Unit Owner may be liable for any damage arising from such failure, including, without limitation, any claims pertaining to environmental hazards such as mold or other bacterial contamination.

Without limiting the generality of the foregoing, Unit Owner specifically acknowledges that this Section 7 shall be applicable to any damage to the carpeting, wallcoverings or other finishes in the Building's hallways, elevators and other common areas (including without limitation, the cost of cleaning, shampooing, painting or repairing the same if soiled or otherwise damaged).

If the Managing Agent advises Unit Owner of any damage which, in the Managing Agent's opinion, was caused by the Work, Unit Owner shall promptly submit a claim to Unit Owner's insurance carrier and to Unit Owner's contractor for submission to its insurance carrier, and Unit Owner agrees to use all reasonable efforts, and to cause its contractor to use all reasonable efforts, to cause such insurance carriers to expeditiously

review and settle all such claims for which they are responsible. The provisions of this paragraph shall not limit Unit Owner's liability under this Section 7.

8. **Indemnification and Release by Unit Owner**. Unit Owner shall indemnify and hold harmless Sponsor and Sponsor's principals, employees, agents, the Board, the Board's officers, directors and Unit Owners, the Designated Engineer, the Managing Agent, and the other Unit Owners and residents of the Building (the "Indemnified Persons") against any loss, cost, claim, damage (including damage to persons or property) or expense arising out of or related to the Work or any act or omission of Unit Owner, the General Contractor or any Subcontractors, architects, engineers or consultants, including reasonable attorneys fees and disbursements incurred by any of the Indemnified Persons in the defense of any such claim or any suit, action or proceeding based thereon. Unit Owner releases the Board, the Sponsor, the Managing Agent and the agents and employees of the foregoing from any from any liability for damage to the portions of the Unit affected by the Work. Notwithstanding anything to the contrary contained in the By-Laws, the Unit Owner accepts sole responsibility for the work and costs in connection with the maintenance, repair, restoration or replacement of any portions of the Unit affected by the Work, and acknowledges that such responsibility shall pass to the Unit Owner's successor-in-interest in the Unit. Unit Owner shall also be responsible to deliver to the Board a written agreement in the form of Exhibit C hereto in which Unit Owner's General Contractors agree that they will not make claims for damage within the perils of the insurance referred to in this Agreement and will defend, indemnify and hold harmless the Board, the Board's officers, directors, Sponsor, unit owners, agents, partners, servants, employees, tenants, guests, licensees, invitees and their respective agents, servants, employees, tenants, guests, licensees, invitees, officers, directors, shareholders and partners (collectively, the "Indemnitees"), against any and all liability, including legal costs and expenses on account of loss of life or injury to any person or damage to property, happening in or arising out of or in any way relating to the performance of the Work unless such injury or loss of life or loss or damage to property was caused by the willful misconduct or gross negligence of the Indemnitee.

Unit Owner hereby acknowledges that it is a condition of this Agreement that no Work may be performed by, or on behalf of Unit Owner until Sponsor, in its sole discretion, determines that the commencement of the Work will not interfere with Sponsor's Work and Sponsor notifies Unit Owner of said determination in writing. At Closing, Unit Owner has accepted the Unit from Sponsor in its "as is" condition. Upon commencement of the Work, Unit Owner releases Sponsor and the Board from any and all obligation to perform any additional work in the Unit, including, without limitation, weather tightness of windows, exterior walls or roofs, and work of a "punch list" nature. In furtherance thereof, Unit Owner expressly agrees to release and forever discharge Sponsor and its successor and/or assigns and the Board, from all manner of actions, causes of action, suits, debts, dues, sums of money, damages, claims and demands whatsoever in law or equity, which Unit Owner, its successors and assigns ever had, now have, or may have, now or hereafter upon or by reason of any matter arising from or out of the Work to the Unit.

9. **Unit Owner to Bear All Costs Associated with Work**. Unit Owner shall be responsible for all costs incurred by Unit Owner, Sponsor or the Board in connection with the Work

or this Agreement, including, without limitation, the fees and disbursements of any attorney, architect, engineer, consultant or security personnel retained by the Board, the Sponsor or the Unit Owner in connection with the Work or this Agreement. Without limiting the generality of the foregoing, Unit Owner specifically agrees to reimburse Sponsor and/or the Board for all charges of the Designated Engineer for the review of the plans, drawings and specifications submitted for inspection of the Work or otherwise related to the Work or this Agreement. Waivers of the right to lien or otherwise encumber the Building shall be obtained from the General Contractor and all Subcontractors. However, if for any reason whatsoever, any lien is filed for work done, or material alleged to have been furnished in connection with the Work, Unit Owner shall at its sole expense cause such lien to be bonded or otherwise discharged within twenty (20) days after learning of the existence of such lien. If Unit Owner fails to do so or otherwise defaults hereunder, the Board may pay or bond such lien and otherwise exercise all rights and remedies reserved to it in this Agreement and the By-laws as and for a default thereunder.

10. **Additional Requirements**.

a. **No Change in Building Heating or Air-Conditioning**. Unit Owner recognizes that there will be no change in the operation of the Building's heating system or air-conditioning system to facilitate the functioning of any heating or air-conditioning units which Unit Owner may be installing other than stoppages approved by Sponsor or the Board in order to facilitate and enable Unit Owner to hook-up to the Building's heating and air conditioning systems and or sprinkler system. The General Contractor shall submit to Sponsor a plan and anticipated schedule of any required shut downs, drain downs, etc., of the Building's existing systems prior to the commencement of their work. Failure to submit this plan shall cause the General Contractor to be accountable for all extra costs associated with delays to reschedule shut downs, drain downs, etc., should they occur.

No utility interruption will be permitted without written approval from Sponsor and/or the Board. General Contractor is required to give Sponsor and/or the Board at least seventy-two (72) hours notice before any Building or utility service interruption which affects occupied and unoccupied areas. Each request for such interruption will indicate estimated downtime.

Sponsor and or the Board will schedule the appropriate personnel to perform all drain downs and recharging of building systems. The cost of all services provided by the appropriate personnel shall be paid in advance to Sponsor prior to the commencement of any work. The minimum charge for each and every drain down and recharge will be **[$500.00]**.

b. **Prohibited Construction Methods**. Unit Owner shall not interfere with the Building's intercom, gas, electric, heating, air-conditioning or plumbing system, sprinkler system or any other Building system or service. Unit Owner shall not penetrate any exterior Building wall, attach fasteners in any manner or the exterior building facade or use any pneumatic or power tool such as hammers or

other tools which cause excessive vibrations, except with the consent of Sponsor or the Board. Flammable materials are not to be stored within the Building. They must be used and removed the same day.

c. **Accessibility of Valves**. Unit Owner shall insure that all water, steam, gas and other valves remain accessible during the performance of and after the completion of the Work. If any valve is enclosed in violation of this Agreement, then Sponsor or the Board may (i) require Unit Owner, at its expense, promptly to remove such enclosure and/or (ii) remove such enclosure at Unit Owner's expense.

d. **Use of Public and Common Areas During Work**. Unit Owner shall not allow the halls, sidewalks, courtyards and other public areas to be used for the storage of building materials or debris. Electrical and other utility receptacles in the Common Areas may not be utilized to perform any work or power any equipment employed in connection with the Work. Unit Owner shall cause its contractor to cover with construction paper the floor of any back hall to be used in connection with the Work and shall also cause its contractor to take all precautions necessary to prevent damage to the carpeting, wallcoverings or other finishes in the Building's hallways, elevator and other common areas. Only the service elevators may be utilized by for the delivery of materials or supplies.

e. **Parking**. Parking in front of the Building or in its driveways is strictly prohibited. General Contractor must enter the Building through the designated construction entrance only. No other means of entry shall be permitted. The General Contractor will be expected to check in at the location to be designated by Sponsor or the Board and obtain the required authorization to enter the Building in compliance with the procedures and requirements of Sponsor and the Board. In the event that employees, agents or Subcontractors of General Contractor are in the Building without proper authorization, such individuals will be asked to leave.

f. **Safety Precautions**. Unit Owner shall maintain functioning fire extinguishers and smoke alarms in the Unit throughout the prosecution of the Work. Unit Owner shall insure that the Work does not block access to any fire exits in the Building. Unit Owner shall install smoke detectors within 15 feet of every sleeping area on the ceiling or wall pursuant to Local Law 62 of 1981 of the City of New York, and if a child 10 years old or under lives in the Unit. Unit Owner shall install window guards pursuant to Section 131.15 of the New York City Health Code.

Hard hats must be worn by all construction personnel at all times. Only work shoes or shoes with leather soles will be permitted in the Building. No personnel wearing gym shoes or soft rubber shoes will be allowed into the Building.

The General Contractor shall abide by all other written safety policies or directives established by Sponsor or the Board. The General Contractor is required to establish a written safety program for its operations, as well as the

operations of any of its Subcontractors. Such safety program shall be available at the job site for inspection by Sponsor and the Board. Any accidents or injuries that occur on the construction site, no matter how minor, must be reported to Sponsor and the Board within twenty four (24) hours of the occurrence. If an accident or injury occurs due to the existence of a dangerous condition, the General Contractor shall take immediate steps to secure the area in order to protect others from further injury.

g. **Unit Owner to Control Refuse, Dirt, Dust**. Unit Owner shall take all precautions to prevent dirt and dust from permeating other parts of the Building during the progress of the Work, and shall place all materials and rubbish in barrels or bags before removing the same from the Unit. All such barrels and bags and all rubbish, rubble, discarded equipment, empty packing cartons and other materials shall be removed from the Unit and taken out of the Building at Unit Owner's expense and removal of trash containers shall be scheduled for after 3:30 p.m. unless otherwise directed by the Board, but in no event shall such removal interfere with regularly scheduled building operations. Unit Owner acknowledges and agrees that the trash chute may not be used for such removal and recognizes that only the service elevator may be used for such removal and only at such times as the superintendent of the Building may direct. Unit Owner shall not permit any dumpster or garbage container to be left outside of the Unit without the written consent of Sponsor or the Board. Notwithstanding the foregoing, the placement of any dumpsters shall comply with all governmental regulations, including without limitation, obtaining any necessary permits. In the event that Sponsor determines that it is reasonably necessary, Sponsor shall have the option to coordinate and perform trash removal from a central location on individual floors and, in that event, General Contractor will be responsible for its share of the cost thereof, which shall be billed on a regular basis.

h. **Installations by Unit Owner**. Unit Owner agrees that any air conditioning units, terrace plantings and/or structures, wherever located in the Building, may be removed by Sponsor or the Board for the purpose of repairs, upkeep or maintenance of the Building, at the sole expense of Unit Owner.

i. **Deliveries to the Property**. Under no circumstances will deliveries be allowed to the Building unless General Contractor has secured the prior written consent of the Sponsor, or the Board, at such time as Sponsor has secured a permanent certificate of occupancy for the Building. In addition, all materials must be delivered to the area of the Building as designated by the Board to the Unit Owner.

The General Contractor must be at the Property at the scheduled time of delivery. The delivery vehicle will be allowed to remain at the Property for the time allotted by the prior written consent. No materials will be accepted or unloaded by any person other then those associated with the General Contractor. Under no circumstances can materials be stored for any length of time at the Property.

Delivery vehicles will not be allowed at any time to park, stand, stage, load or unload on any of the streets or alleys adjoining the Building.

If the General Contractor fails to appear at the Property and/or completely unload the delivery within the allotted time, the delivery truck driver will be instructed to leave the Property and the General Contractor will be responsible for any re-delivery charges. Sponsor reserves the right to amend and revise the delivery procedures at any time and from time to time.

j. **Use of Elevators**. The access to and use of the elevator for the delivery of supplies and materials must be requested no less than forty-eight (48) hours in advance of the time that such access and use is required. The request must indicate the period of time that the elevators will be "booked." Unit Owner will be responsible for all costs associated with the operation of the elevator and/or hoisting charges for the period requested. The allocation of elevator "time" shall be made by the Managing Agent, in its discretion, subject to the availability of elevators, but in no event shall such access and use interfere with regularly scheduled building operations.

k. **On-Site Supervision**. The General Contractor- shall maintain supervisory personnel on-site at all times when the General Contractor has work in progress on-site. Such personnel shall be (i) fully empowered to coordinate and direct the work of its forces and subcontractors, (ii) trained as safety officers and (iii) in numbers sufficient to properly supervise all work.

l. **Adjacent Premises**. The Board may require that Unit Owner give not less than fourteen (14) days' written notice, setting forth the date the Unit Owner plans to commence the Work and the duration of the Work, to residents in the Units that are adjacent to, above and below the Unit (the "Adjacent Premises") in the form of Exhibit "D" hereto, a copy of which shall be delivered to the Managing Agent or such other form then adopted by the Board,.

11. **Unit Owner to Comply with Laws, etc**. Unit Owner shall not do or permit any act or thing to be done contrary to law, or which will invalidate or be in conflict with any provision of any liability, casualty or other insurance policies carried by Unit Owner or for Unit Owner's benefit. Unit Owner shall comply with all federal, state and local laws, rules and regulations pertaining to the Work, including any such laws, rules and regulations pertaining to lead-based paint, asbestos and other hazardous material.

12. **Maintenance and Repair of the Work**. Notwithstanding anything to the contrary contained in the By-Laws, Unit Owner shall be responsible for the maintenance, repair and replacement of the Work and any portions of the Unit affected by the Work, and for all costs incurred by Sponsor or the Board or Unit Owner in connection therewith. Furthermore, Unit Owner releases the Board, the Managing Agent, Sponsor, Sponsor's agents and employees and the Board's agents and employees from any liability for damage to the Work or any portion of the Unit affected by the Work however arising.

13. **Unit Owner's Security Deposit**. As security for the faithful performance and observance by Unit Owner of the terms and conditions of this Agreement, Unit Owner has deposited the sum indicated in Section l(b) with the Board and/or provided payment and performance bonds and maintenance bonds in an amount established by the Board. Unit Owner agrees that the Board may use, apply or retain the whole or any part of the security so deposited and the interest earned thereon, if any, to the extent required for the payment of any sums due to the Board under this Agreement as determined in the discretion of the Board. If the deposit is diminished by one-half of the original amount, Unit Owner shall replenish it to the full amount within (3) days after written demand. Unit Owner's failure to so replenish the security deposit shall be a material breach of this Agreement and shall entitle Sponsor or the Board to stop the Work, and/or exercise any remedies it has hereunder. If Unit Owner shall comply with all of the terms and conditions of this Agreement, the security deposit and interest or remaining balance thereof, if any, shall be returned to Unit Owner after completion of the Work. The Board's release of the security deposit shall not constitute acceptance of the Work by Sponsor or the Board or a waiver of any of Sponsor or the Board's rights under this Agreement. Any sums due to the Board under this Agreement and not recovered by application of the security deposit shall be deemed obligations chargeable and collectable as additional common charges to Unit due by Unit Owner to the Board pursuant to the By-Laws.

14. **Security; Construction Locks**. It shall be the General Contractor's responsibility to safeguard its own materials, tools and equipment at all times and to bear the risk of loss and/or damage thereto, and General Contractor hereby waives any claims against any property damage insurance coverage of the Building, Sponsor or the Board. Construction locks will be required and must be provided by the General Contractor. One key to the Unit must be provided to Sponsor and /or the Board for access to the Unit.

15. **Miscellaneous**. This Agreement represents the only agreements between Sponsor, the Board and Unit Owner relative to the subject matter hereto. Sponsor and the Board reserve the right to update and amend the requirements governing the Work from time to time. Any changes will be provided to Unit Owner and General Contractor and General Contractor will be required to acknowledge receipt of such update(s). This Agreement may not be changed orally. None of Sponsor, the Board, Manager or Managing Agent or any of their principals, agents, employees, contractors or subcontractors, will be responsible for failure or inefficient performance of Building Services to the Unit resulting from the Work. Unit Owner acknowledges that it has not relied upon any representations, warranties, architect's plans or statements of any nature whatsoever, whether written or oral, made by Sponsor, Sponsor's selling agent, the Managing Agent, or otherwise, including, without limitation, any representations, warranties, architect's plans, statements or estimates relating to the cost, feasibility, safety or compliance with all legal requirements pertaining to the Work, it being understood that approval of the Plans by Sponsor or the Board is not an express or implied warranty as to any such matter. This Agreement shall be binding on legal representatives, successors and authorized assigns. Captions are for the purposes of convenience of reference only and are not to be considered in interpreting this Agreement. SPONSOR, THE BOARD,

UNIT OWNER AND GENERAL CONTRACTOR WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING UNDER THIS AGREEMENT.

16. **Notices, Assignment**. Any notice, request, consent or other communication hereunder shall begin in writing and sent by registered mail or certified mail, to Unit Owner at the address given at the beginning of this Agreement and to Sponsor and Board at the respective address given at the beginning of this Agreement, with a copy, in each case to Stroock & Stroock & Lavan LLP, 180 Maiden Lane New York, New York 10038, Attn: Michel Evanusa, Esq., or to such other address as either party may hereafter designate to the other in writing. The date of mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. If, at any time, Unit Owner shall require the consent or approval of Sponsor or the Board to any proposed action hereunder, Unit Owner shall make a written request therefor, requesting such consent or approval. In no event whatsoever may Unit Owner rely on any consents, approvals, communications, statements or notices given by any person (including, without limitation, the Managing Agent or the superintendent of the Building or any representative of either) who is not a member of Sponsor, or the Board or which are not in writing. This Agreement may not be assigned by Unit Owner.

17. **Amendment to Condominium Documents.** If the Work involves the combination or subdivision of a Unit or Units, upon completion of the Work and upon receipt of all applicable certifications and approvals, the Board agrees to amend the Declaration of the Condominium ("Declaration") and the Condominium Floor Plans ("Floor Plans") to reflect the modifications to the Unit. Unit Owner agrees to provide the Board with all information and execute all documentation required to amend the aforesaid documents and to pay all costs incurred by the Board or otherwise associated with the amendment of the Declaration and Floor Plans.

18 **Assumption by Purchaser**. The Unit Owner (a) shall advise the person or persons to whom it transfers the Unit ("Purchaser") of the Work undertaken by the Unit Owner pursuant to this Agreement; (b) shall provide copies of the Plans and this Agreement to the Purchaser; and (c) shall cause the Purchaser to execute and deliver to the Condominium Board an agreement substantially in the form of Exhibit C hereto pursuant to which the Purchaser shall assume all of the obligations of Unit Owner under this Agreement, including the obligation under this Section with respect to any transfer of the Unit by the Purchaser.

The Unit Owner hereby waives any claim against the Condominium Board on account of (a) the Condominium Board advising a potential Purchaser of the provisions of this Agreement, including this Section and/or (b) refusing to accept the sales package with respect to its waiver of its right of first refusal unless and until such potential Purchaser shall execute and deliver to the Condominium Board an agreement in the form of Exhibit C hereto.

19. **Unit Owner's Breach and Board's and Sponsor's Remedies**. Any breach by Unit Owner of any of the provisions of this Agreement shall constitute a breach of the

Declaration and By-Laws and shall entitle the Board to exercise all of the rights and remedies therein provided. In addition, the Board shall also have the right (a) to suspend the Work and prevent workers from entering the Unit for any purpose other than to remove their tools, and/or (b) to revoke its consent to the Work, and/or (c) to complete or remove all or any part of such Work and restore the Unit to its condition prior to the commencement of the Work at Unit Owner's sole cost and expense, and/or (d) to exercise any of the rights and remedies provided for herein. The remedies provided for herein and in the By-Laws shall not be exclusive and the Board shall also be entitled to exercise any of the remedies provided by applicable law.

The Board and Unit Owner acknowledge that Sponsor is the Sponsor of the offering plan for the Property, pursuant to which Sponsor has certain obligations to complete the Building and that a breach by Unit Owner of any of the provisions of this Agreement could adversely affect Sponsor's ability to perform its obligations. Accordingly the Board hereby assigns to Sponsor all of the rights of the Board pursuant to the Declaration and the By-Laws as may asserted with respect to the Work and this Agreement until such time as Sponsor has obtained a permanent certificate of occupancy for the Building. Until such time as Sponsor has obtained a permanent certificate of occupancy for the Building, the Board shall not consent to any request hereunder which would have the effect of delaying or interfering with or increasing the cost to perform the Sponsor's Work.

Notwithstanding anything to the contrary set forth herein, to the extent notices or documents are required to be delivered to Sponsor or the consent or approval of Sponsor is required hereunder, such delivery, consent or approval shall not be required after such time as Sponsor no longer owns any Unsold Units in the Building. Sponsor, in its sole discretion, may waive its right, in writing, to receive notices or give approvals or consents hereunder.

IN WITNESS WHEREOF, Unit Owner, Sponsor and the Board have executed this Agreement.

THE BOARD OF MANAGERS
OF ALTAIR 20

By: _____
Name:
Title:

_____
UNIT OWNER

STRATEGIC CHELSEA LLC

By: _____
Name:
Title:

EXHIBIT A

Date

The Board of Managers
Altair 20
c/o _____

_____
New York, New York _____

Re: Unit ___ (the "Unit")
_____ (the "Unit Owner")
Altair 20 (the "Condominium")
15 West 20th Street
New York, New York 10011 (the "Property")

Gentlemen:

The undersigned acknowledges being the general contractor for the Work to be performed in the referenced Unit ("Contractor") pursuant to the Plans, as such terms are defined in the alteration agreement (the "Alteration Agreement") entered into between The Board of Managers of the Condominium (the "Board"), the above referenced Unit Owner and Strategic Chelsea LLC ("Sponsor") Contractor acknowledges that it has received a copy of the Alteration Agreement (including. without limitation, the Contractor's Instructions annexed thereto), the Declaration, By-Laws and rules and regulations of the Condominium (collectively the "Requirements") and has reviewed the Requirements, understands them and will in all cases abide by all of the terms, conditions and requirements contained herein while completing the Work at the Building on behalf of Unit Owner. Contractor will be responsible for conveying these Requirements to any of its employees, suppliers and subcontractors who will be bound by these Requirements. Contractor will incorporate by reference the terms hereof into any contract or agreement with any Subcontractor employed by or retained by Contractor in connection with the Work and will deliver copies of all such subcontracts to the Board and/or Sponsor upon request. In all cases, Contractor will be solely responsible for the compliance by its employees, suppliers and subcontractors with the Requirements

Contractor agrees that it will not make any claim against, or seek to recover against the Board, the Board's officers, directors, Sponsor, other unit owners, servants, agents, partners, guests, licensees, invitees, tenants or employees or any of their respective agents, servants, employees, tenants, guests, licensees, invitees, officers, directors, shareholders and partners of the foregoing (collectively, the "Indemnitees") for any damage to persons or property by the perils within the scope of the policies described in the Alteration Agreement, unless the loss or damage is due to the gross negligence or willful misconduct of the Indemnitees. Contractor further agrees to defend, indemnify and hold harmless the Indemnitees against any and all liability, including legal costs and expenses on account of loss of life or injury to any person or damage to property, happening in or arising out of or in anyway relating to the performance of the Work, unless such injury or loss of life or loss or damage to property is caused by the gross negligence or willful misconduct of the Indemnitees.

Contractor agrees:

(A) Contractor will, prior to the commencement of the Work, shall have submitted to the Board a list containing the names of all contractors, subcontractors and suppliers (collectively the "Subcontractors') which will be performing the Work or providing materials and supplies with respect thereto. Such list (the "Subcontractor's List") must be updated within forty-eight hours after any additional Subcontractors are engaged or retained. The General Contractor must submit notification to the Managing Agent (each a "Notice") containing the name of any Subcontractor requiring access to the Property in furtherance of the Work, no less than forty-eight (48) hours in advance of the time that such access is required. The Notice shall include (a) the list of the individuals employed by the Subcontractor (the "Subcontractor's Employees") and (b) the period of time that the Subcontractor seeks to "book" the elevators to bring the Subcontractor's Employees and materials and supplies to the Unit. No Subcontractor will be permitted access to the Building unless the name of such Subcontractor is on the Subcontractor's list and a copy of the subcontract for such Subcontractor has been provided to the Board. The General Contractor acknowledges that the allocation of elevator "time" shall be made by the Managing Agent, in its discretion, subject to the availability of elevators.

(B) Each Subcontractor's Employee identified in the Notice will be given an access pass. Such pass must be worn by the Subcontractor's Employees whenever they are in the Building and must be returned at the end of each work day. All persons gaining access to the work site must wear hard hats and such other safety gear as may be required by Sponsor or the Board.

(C) The party to whom communications are required to be made hereunder and under the Alteration Agreement, including, without limitation, the submission of the Subcontractor's List and the Notices is _____. The Managing Agent reserves the right to change the aforementioned individual upon written notice to the General Contractor and Unit Owner.

Any terms not otherwise defined in this letter will have the meaning ascribed thereto in the Alteration Agreement. By execution of this letter below, the General Contractor hereby acknowledges and agrees to the foregoing and agrees to comply with those provisions of the Alteration Agreement which are the obligation of the General Contractor to perform.

[GENERAL CONTRACTOR]

By: _____
Name:
Title:

EXHIBIT B

Each of Unit Owner's contractors shall provide insurance of the types and in not less than the limits set forth below with a company or companies satisfactory to the Board, licensed to do business in the State of New York, and all such policies shall name the Board, the Board's officers, directors and Unit Owners, the Designated Engineer, Sponsor and the Managing Agent as additional named insureds. No diminution of limits of insurance will be permitted.

(i) **WORKER'S COMPENSATION** as required by law together with Employer's Liability Insurance and Disability Benefits Insurance as required by the State of New York.

(ii) **COMMERCIAL GENERAL LIABILITY** including Contractor's Liability and Blanket Contractual Liability (oral or written), all on an occurrence basis with Personal Injury Coverage, which shall include mental anguish as well as standard conditions, and Broad Form Property Damage, without any exclusion relating to Explosion, Collapse and Underground Property Damage.

The policy will contain the "Broad Form Comprehensive General Liability" endorsement in Section 1 in such form; the exclusion pertaining to liability assumed by the Contractor under any contract or agreement (Section II Section B(l) is to be deleted). The Completed Operations Coverage is to extend for a period of one year following termination of the Work and Contractual Indemnity Coverage is also to extend for one year following termination of the Work. The policy is also to include (a) Owners Protective Liability Coverage, (b) Knowledge of Occurrence and Notice of Occurrence endorsements and (c) Unintentional Errors and Omissions clause. The policy shall also include coverage with respect to asbestos exposure if the Work involves any asbestos-containing material, and shall not include a sunset clause without the Board's consent.

$1,000,000 BODILY INJURY & PROPERTY DAMAGE[1]*
(combined single limit)

(iii) **COMPREHENSIVE AUTOMOBILE LIABILITY**, including non-ownership and hired car coverage, as well as owned vehicles:

$1,000,000 BODILY INJURY & PROPERTY DAMAGE
(combined single limit)

---

[1] Amounts of insurance required may be higher for major renovations as designated by the Board of Directors.

(iv) **UMBRELLA LIABILITY, BODILY INJURY, PERSONAL INJURY AND PROPERTY DAMAGE** If umbrellas are written in more than one company any layers above the first one shall follow the form of the primary umbrella.

$3,000,000 COMBINED[2]*
(combined single limit)

Prior to the commencement of any work hereunder, detailed certificates of insurance shall be furnished to the Board showing that such insurance is in full force and the premiums due thereunder have been paid. Such certificates shall provide that the said insurance may not be canceled, terminated or modified without ten (10) days written advance notice thereof to the Board. The Contractor shall promptly furnish the Board with copies of any endorsements subsequently issued amending insurance coverage or limits.

In the event of the failure of the Contractor to furnish and maintain such insurance, the Board shall have the right, at its option, at any time:

(a) to revoke permission to perform the work and to deny entry into the Building of all workers, except that if such workers are escorted by a member of the Building's staff, they shall be permitted to remove their tools and supplies, or

(b) to take out and maintain the said insurance for and in the name of the Board, the Contractor or Unit Owner and, in such a case, Unit Owner agrees to pay the cost thereof and to furnish all information and consents necessary to permit the Board to take out and maintain such insurance for and in the name of the Board, the Contractor or Unit Owner.

Compliance with the foregoing requirements to carry insurance and furnish certificates shall not relieve Unit Owner from liability assumed under any provisions of this Agreement.

The Contractor's insurance policy shall also contain in substance the following endorsement:

> This insurance shall not be invalidated should the insured waive, in writing, prior to a loss, any or all right of recovery against any party for the loss occurring to the property described herein.

Nothing in this Exhibit B shall constitute a waiver of or limitation of any other rights or remedies the Board may have for consequential damages or otherwise.

---

[2] Amounts of insurance required may be higher for major renovations as designated by the Board of Directors.

EXHIBIT C

ASSUMPTION OF ALTERATION AGREEMENT

WHEREAS, simultaneously with its execution and delivery of this Assumption of Alteration Agreement the undersigned is becoming the owner of Unit ____ in the building known as Altair 20 and located at 15 West 20th Street, New York, New York 10011; and

WHEREAS, a prior owner of the Unit and the Condominium Board entered into an Alteration Agreement dated _____, ____ ("Alteration Agreement"), a copy of which is attached hereto,

WHEREAS, the Alteration Agreement (1) provides that any person acquiring the Unit shall assume the obligations of the Unit Owner under the Agreement and (2) authorizes the Condominium Board not to accept the sales package in connection with its waiver of its right of first refusal unless and until such person assumes the obligations of the Unit Owner under the Agreement,

NOW, THEREFORE, in order to induce the Condominium Board to accept the sales package and waive its right of first refusal, the undersigned hereby ASSUMES AND AGREES TO PERFORM AND OBSERVE all the terms, covenants and conditions of the Alteration Agreement to be performed or observed by the Unit Owner thereunder (including the provisions of Section 18 thereof pertain to future transfers).

Henceforth, the term "Unit Owner" as used in the Alterations Agreement shall include the undersigned. Any breach of this Assumption of Alterations Agreement or of the Alterations Agreement shall constitute a breach of the By-Laws of the Condominium. This Assumption of Alteration Agreement shall be binding on the undersigned and [her][his] estate, heirs, executors, administrators, personal representatives, successors and assigns.

New York, New York
Date: _____

_____

_____

State of New York }
} ss.:
County of New York }

On this _____ day of _____, _____ before me personally came _____, to me known and known to me to be the individual described in and who executed the foregoing instrument, and duly acknowledged to me that [she][he] executed the same.

_____
Notary Public

EXHIBIT D

TO: [Addressed to the Unit Owners
or residents of the units
adjacent to, above and below,
the Unit Owner's unit]

DEAR _____:

In accordance with the Alteration Agreement between me and the Board of Managers (the "Board") of the _____ (the "Condominium") covering the alterations to be performed in unit ___, you are advised as follows:

1. Alterations will be performed in unit ___ commencing on or about _____. The alteration agreement with the Board permits me an aggregate of ___ days to complete the alterations.

2. I hereby agree to indemnify you for any damage whatsoever to your unit caused by the alterations performed in my apartment as determined by the Condominium's architect. I agree to pay the reasonable cost of repair of such damage. At your option, such repair may be performed, at my expense, by contractors of your choice or by my contractors.

3. In order to take advantage of the foregoing indemnification, you must permit my designated representatives to inspect your apartment prior to the commencement of my alterations. Please call me at _____ to arrange the inspection. You must also permit my designated representative to inspect any damage you claim my alterations have caused.

Very truly yours,

_____
Unit Owner

Unit No.:_____

Date:_____

EXHIBIT "22"

LIEN LAW §71-a(3)

3. (a) The initial advance pursuant to a contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of residential condominium unit or any structure designed solely for residential occupancy of not more than two families living separately, on property to be purchased shall, at the vendee's option, be deposited within five business days thereafter by the recipient in an interest bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in this state. Such deposit, together with the interest accumulated thereon, shall remain the property of the vendee except as otherwise provided herein. The recipient shall advise the vendee in writing of the name of the depositary where the funds have been placed within ten business days after such deposit has been made.

(b) In lieu of making the deposit of such moneys in an escrow account as provided in paragraph (a) of this subdivision, the recipient may post with the vendee a bond or contract of indemnity, issued by a surety company licensed to execute such an instrument in this state, guaranteeing the return of the moneys which otherwise would be required to be deposited in such escrow account, in which case the recipient shall not be required to deposit such money in an escrow account. Said bond or contract of indemnity shall be delivered to the vendee within ten business days after receipt of the initial advance.

(c) At any time after making the deposit of such moneys in the escrow account, the recipient may post with the vendee a bond or contract of indemnity issued by a surety company licensed to execute such an instrument in this state guaranteeing the return of such moneys, in which case the recipient shall not be required to maintain the deposit of such moneys in such account.

(d) Such advance shall be retained in the escrow account or such bond or contract of indemnity continued in effect until the trust is terminated (i) by the recipient's performance of the terms of the contract of sale, or (ii) by default of the vendee excusing the recipient's performance of the terms of the contract of sale, or (iii) by release or discharge of the recipient's liability to refund such advance to the vendee, or (iv) upon transfer of title of the real property to the vendee.

(e) Every contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of a residential condominium unit or a structure designed solely for the residential occupancy by not more than two families living apart, shall contain a statement advising the vendee of the provisions of this subdivision. Such statement shall be printed in bold type which is at least two points larger than any other printing contained thereon and shall read as follows:

> "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."

EXHIBIT "23"

FACADE RESTORATION APPROVALS

THE NEW YORK CITY LANDMARKS PRESERVATION COMMISSION
1 CENTRE STREET 9TH FLOOR NORTH NEW YORK, NY 10007
TEL: 212 669-7700 FAX: 212 669-7780

PERMIT

CERTIFICATE OF APPROPRIATENESS

ISSUE DATE:	EXPIRATION DATE:	DOCKET #:	COFA #:
03/30/04	12/09/2009	045053	COFA 04-5702

ADDRESS	BOROUGH:	BLOCK/LOT:
13-15 WEST 20TH STREET HISTORIC DISTRICT LADIES' MILE	MANHATTAN	822 / 25

Display This Permit While Work Is In Progress

ISSUED TO:

Gary Barnett
Chelsea 20th Street LLC
c/o Intell Management
225 West 86th Street
New York, NY 10024

Pursuant to Section 25-307 of the Administrative Code of the City of New York, the Landmarks Preservation Commission, at the Public Meeting of December 9, 2003, following the Public Hearing of November 25, 2003, and the Public Meetings of November 25, 2003, and December 2, 2003, voted to grant a Certificate of Appropriateness for the proposed work at the subject premises, as put forward in your application completed on October 30, 2003, and as you were notified in Status Update Letter 04-3900 issued on December 15, 2003.

The proposal as approved, consists of constructing a two-story stucco-clad rooftop addition; raising the west parapet wall; and replacing the existing non-historic ground floor infill with new infill, featuring paired metal and glass doors and transoms, glazed display windows and transoms in two projecting curved-ended bays and curved-profile roofs with integral signage, and concealed lighting; as shown in fifteen (15) mounted presentation boards (undated), and existing and proposed condition photographs and montages, all prepared by Avinash Malhotra, Architects, submitted as components of the application and presented at the Public Hearing and Public Meetings.

In reviewing this proposal, the Commission noted that the Ladies Mile Historic District designation report describes 13-15 West 20th Street as a neo-Renaissance style store and loft building designed by Lafayette A. Goldstone and constructed in 1905-06. The Commission also noted that Certificate of No Effect 04-5705 was issued on March 30, 2004, for facade restoration and re-creation of missing cornices.

With regard to this proposal, the Commission found that, although the proposed rooftop addition will be visible from a limited number of vantage points north and west of the site, it will be seen in context with

the lot line wall or rear elevation and therefore will not detract from the special architectural and historic character of the building or the historic district; that the light colored stucco cladding, set back location, and horizontal massing of the addition will help this element to be a neutral presence at the building's roof; that raising the parapet wall will create a uniform and regular height at the visible side elevation, which is in keeping with other rooflines in similar buildings within this historic district and will help to conceal the proposed rooftop addition; that the proposed rooftop addition will not be visible in context with the principal facade, and therefore will not detract from the significant architectural features of the building; that removing the existing storefront infill will eliminate unsympathetic alterations that detract from the building and the streetscape; and that the configuration of the metal and glass storefront, featuring two projecting display window bays, curved-profile roofs, and paired entry doors with transoms, will be closely modeled after the historic photographic evidence. Based on these findings, the Commission determined the work to be appropriate to the building and voted to approve it.

However, the Commission made its determination subject to the following stipulation: that a reduced set of the presentation materials, two sets of final signed and sealed Department of Buildings filling drawings, and a clean Department of Buildings Objection Sheet be submitted to the staff of the Commission for review and approval.

Subsequently, the staff of the Commission received a reduced set of the presentation materials (undated), prepared by Avinash Malhotra, Architects. Accordingly, the staff reviewed these drawings and noted that the design approved by the Commission has been maintained. Therefore, these drawings have been marked approved by the Landmarks Preservation Commission with a perforated seal and this Certificate of Appropriateness is being issued.

The issuance of this permit is contingent on the review and approval of final Department of Buildings filing drawings. Please submit these to the staff of the Commission when they are available.

This permit is issued on the basis of the building and site conditions described in the application and disclosed during the review process. By accepting this permit, the applicant agrees to notify the Commission if the actual building or site conditions vary or if original or historic building fabric is discovered. The Commission reserves the right to amend or revoke this permit, upon written notice to the applicant, in the event that the actual building or site conditions are materially different from those described in the application or disclosed during the review process.

All approved drawings are marked approved by the Commission with a perforated seal indicating the date of approval. The work is limited to what is contained in the perforated documents. Other work or amendments to this filing must be reviewed and approved separately. The applicant is hereby put on notice that performing or maintaining any work not explicitly authorized by this permit may make the applicant liable for criminal and/or civil penalties, including imprisonment and fines. This letter constitutes the permit; a copy must be prominently displayed at the site while work is in progress. Please direct inquiries to Meisha Hunter.

Robert B. Tierney
Chair

PLEASE NOTE: PERFORATED DRAWINGS AND A COPY OF THIS PERMIT HAVE BEEN SENT TO:
Jay Segal, Esq., Greenberg Traurig Attorneys at Law

cc: C. Kane Levy; J. Weiss, Esq.; A. Malhotra, RA; W. Dennis, Higgins and Quasebarth

THE NEW YORK CITY LANDMARKS PRESERVATION COMMISSION
1 CENTRE STREET 9TH FLOOR NORTH NEW YORK, NY 10007
TEL: 212 669-7700 FAX: 212 669-7780

PERMIT

CERTIFICATE OF NO EFFECT

ISSUE DATE:	EXPIRATION DATE:	DOCKET #:	CNE #:
03/30/04	03/24/2008	045305	CNE 04-5705

ADDRESS	BOROUGH:	BLOCK/LOT:
13-15 WEST 20TH STREET HISTORIC DISTRICT LADIES' MILE	MANHATTAN	822 / 25

[redacted]

ISSUED TO:

Gary Barnett
Chelsea 20th Street LLC
c/o Intell Management
225 West 86th Street
New York, NY 10024

Pursuant to Section 25-306 of the Administrative Code of the City of New York, the Landmarks Preservation Commission hereby approves certain alterations to the subject premises as proposed in your application completed on March 16, 2004.

The approved work consists of restorative work, including masonry cleaning, paint removal, repointing, limestone repairs, re-creating two missing cornices in fiberglass, and repairing and repainting the historic cast iron shutters at the rear of the building; as described in a letter, dated September 2003, prepared by Ward Dennis, a report, titled "Existing Conditions Survey," dated October 2003, and existing condition photographs, prepared by Higgins and Quasebarth, all submitted as components of the application.

In reviewing this proposal, the Commission notes that the Ladies Mile Historic District designation report describes 13-15 West 20th Street as a neo-Renaissance style store and loft building designed by Lafayette A. Goldstone and constructed in 1905-06. The Commission also notes that Certificate of Appropriateness 04-5702 was issued on March 30, 2004, for a proposal to construct a two-story rooftop addition, modify the parapet, and replace the ground floor infill.

With regard to this proposal, the Commission finds that the work is restorative in nature; that the masonry cleaning and paint removal will be performed using the gentlest effective methods; that the repointing will

match the color, composition, profile and tooling of the historic mortar; that the repairs to the deteriorated limestone will return these surfaces to their historic color, profiles, and appearance; in accordance with the provisions of Title 63 of RCNY, Section 2-17, that the authenticity of the design of the two missing cornices will be based on historic photographic evidence; that returning the cornices will bring the building closer to its original appearance; that the repairs to and repainting of the cast iron shutters will be supportive of their long term preservation. The work, therefore, is approved.

The issuance of this permit is contingent on the review and approval of written specifications for the restorative work; shop drawings for the cornices; and samples for the repointing mortar, limestone repairs; and finishes for the cast iron shutters. Please submit these to the staff of the Commission when they are available.

The Commission has reviewed the application and these drawings and finds that the work will have no effect on significant protected features of the building.

This permit is issued on the basis of the building and site conditions described in the application and disclosed during the review process. By accepting this permit, the applicant agrees to notify the Commission if the actual building or site conditions vary or if original or historic building fabric is discovered. The Commission reserves the right to amend or revoke this permit, upon written notice to the applicant, in the event that the actual building or site conditions are materially different from those described in the application or disclosed during the review process.

All approved drawings are marked approved by the Commission with a perforated seal indicating the date of approval. The work is limited to what is contained in the perforated documents. Other work or amendments to this filing must be reviewed and approved separately. The applicant is hereby put on notice that performing or maintaining any work not explicitly authorized by this permit may make the applicant liable for criminal and/or civil penalties, including imprisonment and fines. This letter constitutes the permit; a copy must be prominently displayed at the site while work is in progress. Please direct inquiries to Meisha Hunter.

Robert B. Tierney
Chair

PLEASE NOTE: PERFORATED DRAWINGS AND A COPY OF THIS PERMIT HAVE BEEN SENT TO:
Jay Segal, Esq., Greenberg Traurig, LLP

cc: C. Kane Levy; J. Weiss, Esq.; A. Malhotra, RA; W. Dennis, Higgins and Quinsebarth

THE NEW YORK CITY LANDMARKS PRESERVATION COMMISSION
1 CENTRE STREET, 9TH FLOOR NORTH NEW YORK, NY 10007
TEL.: 212 669-7700 FAX: 212 669-7780

ROBERT B. TIERNEY
Chair

March 30, 2004

ISSUED TO:

Gary Burnett
Chelsea 20th Street LLC
Intell Management
225 West 86th Street
New York, NY 10024

Re: LPC - 045052
MOU 04-5704
13-15 WEST 20TH STREET
HISTORIC DISTRICT
LADIES' MILE
Borough of Manhattan
Block/Lot: 822 / 25

At the Public Meeting of December 9, 2003, following the Public Hearing of November 25, 2003, and Public Meetings of November 25, 2003, and December 2, 2003, the New York City Landmarks Preservation Commission ("LPC") voted to issue a Report to the City Planning Commission ("CPC") in support of an application for the issuance of a Special Permit, pursuant to Section 74-711 of the Zoning Resolution for modifications of use at the building located at 13-15 West 20th Street, Manhattan, Block 822 Lot 25 ("the Designated Building"). The Designated Building consists of a neo-Renaissance style store and loft building designed by Lafayette A. Goldstone and constructed in 1905-06. The Designated Building is located in the Ladies Mile Historic District.

In voting to issue the report, the LPC found that the applicant has agreed to undertake facade work to restore the Designated Building and bring it up to a sound, first-class condition; that the applicant has agreed to establish and maintain a program for continuing maintenance to ensure that the Designated Building is maintained in a sound, first-class condition; that a Restrictive Declaration ("Declaration") will be filed against the property which will bind the applicants and all heirs, successors and assigns to maintain the continuing maintenance program in perpetuity.

Specifically, the Commission approved certain restorative work at 13-15 West 20th Street, as described in Certificate of No Effect 04-5705 issued on March 30, 2004, including cleaning; paint removal; repointing; selective repairs to deteriorated limestone using proprietary patching compounds; the recreation of two missing cornices; and repairing and repainting the historic cast iron shutters at the rear of the building.

In reaching a decision to issue a favorable report to the CPC, the Commission reviewed the proposed work and found that the restorative work will help return the building closer to its original appearance; that the facade

restoration, including the paint removal, repointing, cleaning, limestone repairs, installation of missing cornices, and the repairs to and repainting of the cast iron shutters at the rear will bring the building up to a sound, first-class condition and aid in its long-term preservation; that the implementation of a cyclical maintenance plan will ensure the continued maintenance of the building in a sound, first-class condition; and that the owners of the building have committed themselves to establishing a perpetual cyclical maintenance plan that will bind all heirs, successors and assigns and subsequent owners of the building, which will be legally enforceable by the LPC under the provisions of a Restrictive Declaration, and which will be recorded at the county registrar's office. Based on these findings, the Commission determined the proposed work to be appropriate to the Designated Buildings and to the Ladies Mile Historic District.

The Declaration requires the Declarant to commission a qualified preservation professional, whose credentials are to be approved by LPC, to undertake inspections every five years of the Designated Building's exterior and such portions of the interior which, if not properly maintained, would cause the Designated Building to deteriorate. The Declarant is required to perform all work identified in the resulting professional reports as being necessary to maintain the Designated Building in sound, first-class condition within the stated time periods.

The staff of the Commission is available to assist you with these matters. Please direct inquiries to Meisha Hunter.

Robert B. Tierney
Chair

cc: C. Kane Levy; J. Weiss, Esq.; A. Malhotra, RA; W. Dennis, Higgins and Quasebarth